

# 2010/11-2012/13 BUDGET



## OF LOCAL MUNICIPALITY OF MADIBENG

### **5.7 Measurable Performance Objectives: Revenue Sources & Vote**

The document containing details of the measurable performance objectives for the revenue source and budget votes is “**Annexure E**” of the report.

### **5.8 Disclosure on implementation of MFMA**

The document containing details of the MFMA implementation as at 31 March 2011 is “**Annexure F**” of the report.

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# 2011-2012 BUDGET REPORT



OF LOCAL MUNICIPALITY OF MADIBENG

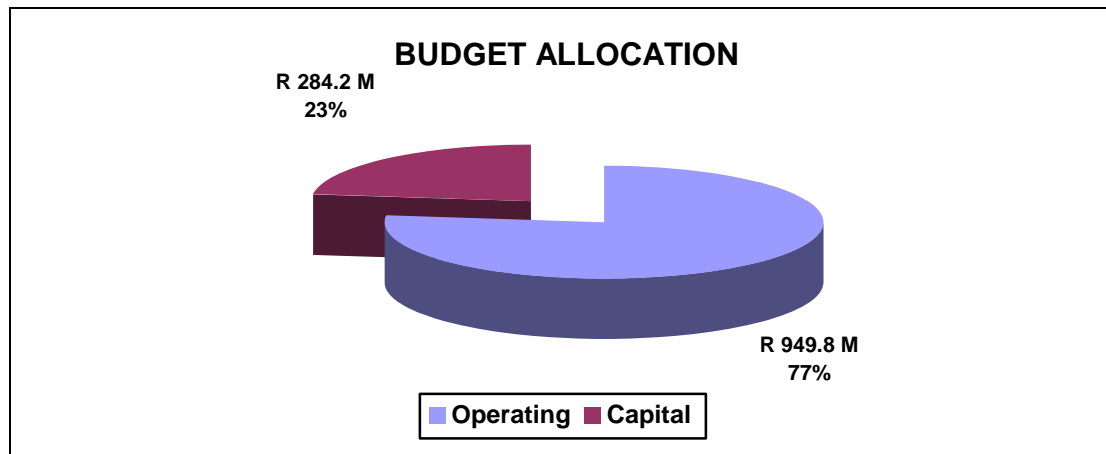
## 1. VISION OF THE MUNICIPALITY

To be a leading united Municipality through service excellence.

## 2. FOREWORD

The budget of our municipality which totals R1, 233, 9 billion comprising R284, 2 million Capital expenditure and R949, 7 million direct operating expenditure, reflects Council's response to the needs of its residents, ratepayers and the business community which it serves.

### 2.1 Budget Allocation



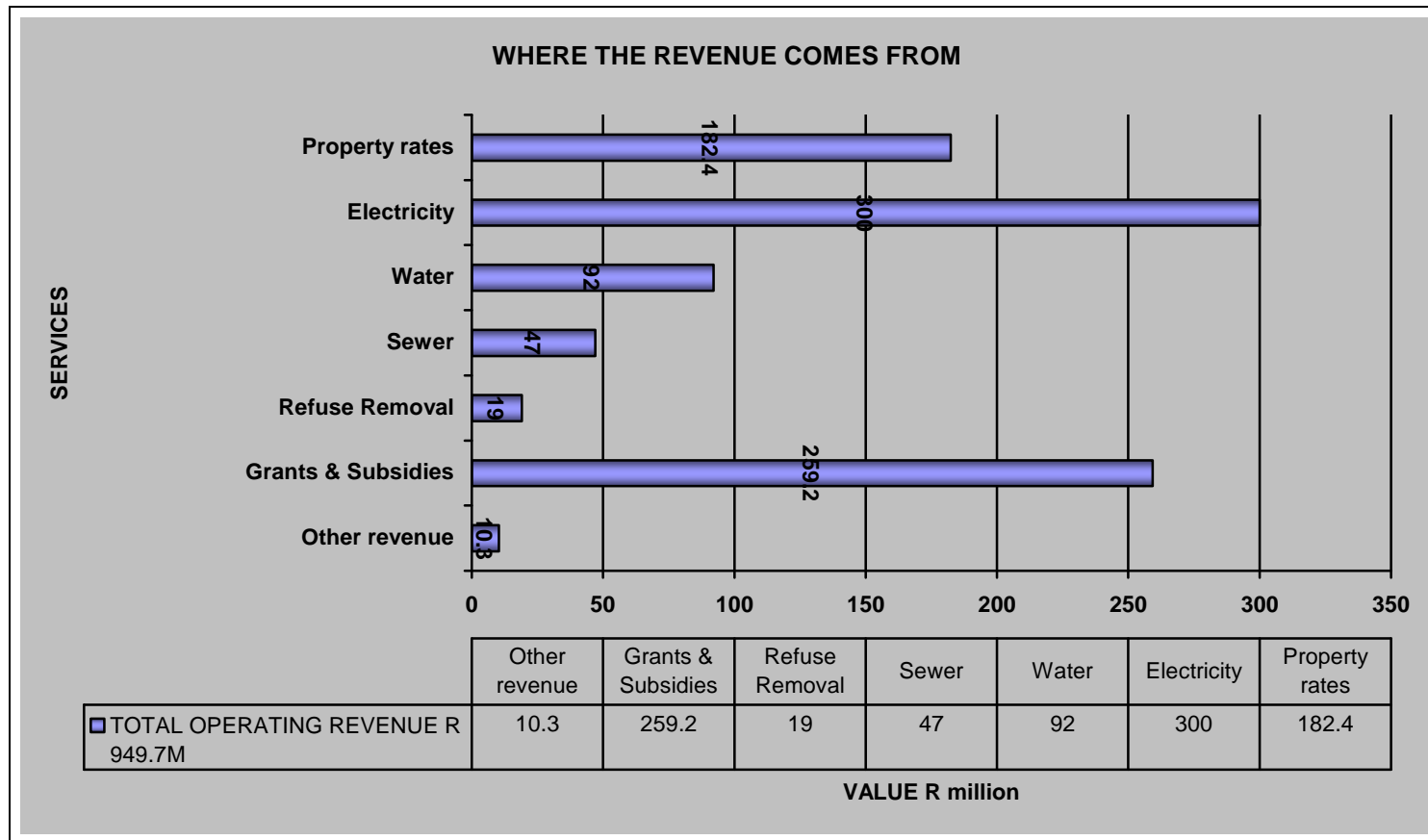
## **2.2 Principles underpinning this Budget**

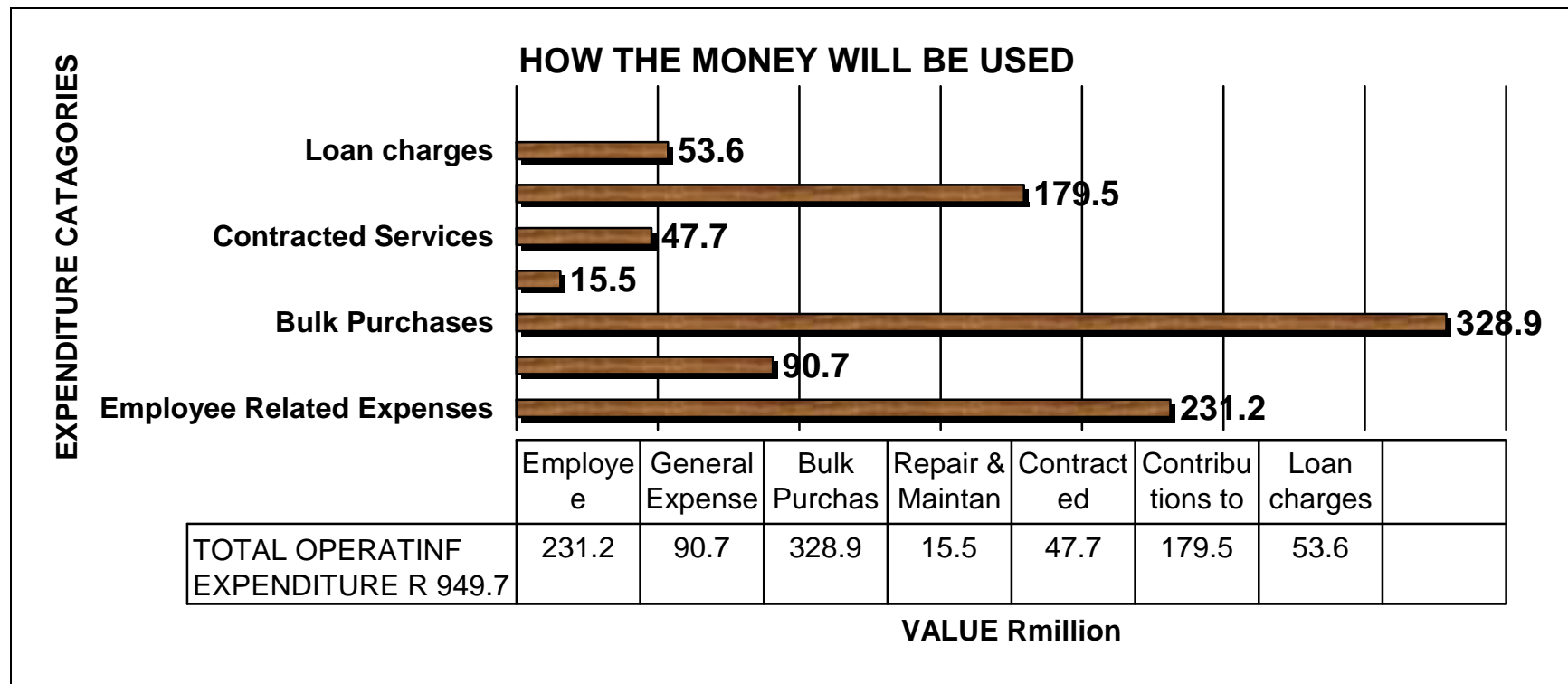
- The Council is committed to stringent budgeting policies and parameters through a budget that seeks to strike a balance between the development challenges of the poor areas and the need to maintain the infrastructure in established areas.
- The Council is also committed to ensuring that consultation on the budget takes place as widely as possible.
- To achieve balanced budgets on an affordable basis now and in future.
- The Council is further committed to levying affordable tariff increases and in this regard we have once again managed to achieve single digit increases in Sewerage and Refuse Tariffs
- The Council expresses its will to allocate effectively the limited resources against the ever increasing demands by looking at ways and means of reducing costs and improving efficiencies to maximize resources.
- The council expenses shall only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.

## **3 OPERATING BUDGET**

Severe constraints were placed on the development of the Operating Budget; however Council was conscious to keeping increases in expenditure, in line with the macro limits imposed by National Treasury. Furthermore, the Council will as required by the Municipal Financial Management Act to produce credible and balance budget.

### 3.1 Revenue Source and Expenditure Allocation







#### 4. Tariffs

Affordability has always been one of the guiding principles in setting tariffs. Tariffs will not be set in isolation but rather as a basket of services which will be priced at an affordable level in order that residents including business community enjoy a high quality of life. The following increase in tariffs for the basic services and other services are proposed:

Services	New
	2011/2012
Property rates	6.08
Water	20.0%
Electricity	20.38%
Sewer/Sanitation	6.08
Refuse Removal	6.08
Other Services	6.08

##### 4.1 Water and Sanitation tariffs

The report prepared for the municipality by consultants received on 15 April 2011, has fully evaluated the water service rate

Factors that have been considered are the following:

- ❖ Cost of bulk purchases of water;
- ❖ Distribution costs;
- ❖ Distribution losses;
- ❖ Depreciation expenses (capital replacement reserve);
- ❖ Maintenance of infrastructure and fixed assets;
- ❖ The cost of approved indigent relief; and
- ❖ Overheads costs.

After extensive research it was concluded that a new tariff called **availability charges for water and sewer** be introduced. These charges will be used for the critical maintenance of the water and sewer networks and pump stations only.

#### 4.2 FIXED CHARGE TARIFF

All premises including vacant stands, where excess to Local Municipality Water Supply is available, whether connected to the Local Municipality's water reticulation system or not and irrespective of whether water is used or not, will be charged the fixed monthly Standard Water Availability Charge as follows:

STANDARD FIXED CHARGE TARIFF SUMMARY	TARIFF (R/mth)
Standard Water Availability Charge	R 27,00

### 4.3 STANDARD WATER CONSUMPTION BASED TARIFF

All premises will be charged according to the metered readings and the following sliding-scale in the tariff policy.

### 4.4 SEWER TARIFFS

#### 4.1.1 SEWER AVAILABILITY CHARGE

Any premises including vacant stands that are connected to the Local Municipality's sewer network system, irrespective of whether sewer is produced; the monthly minimum basic charge below will be levied (Undeveloped land with access to reticulation).

TARIFF SUMMARY	TARIFF(R)
Sewer Availability Charge	R 26.00

#### 4.1.2. SEWER EFFLUENT TARIFF

All categories except the Industrial category will charged a fixed rate monthly for sewer effluent.

TARIFF SUMMARY	TARIFF(R)
Sewer Effluent Charge (fix)	R 67.00

#### 4.1.3 SEWER EFFLUENT TARIFF

The Industrial category will be charged a rate (treatment and conveyance) with an additional charge based on the sewer composition that will be measured monthly.

TARIFF SUMMARY	TARIFF(R)
Basic Treatment Cost (T): R per kl	R 5.70 per kl

#### PENALTY FOR DISCHARGING EFFLUENT NOT COMPLYING WITH LIMITS SET IN BYLAWS

The acceptable discharge limits are specified in the Water and Sanitation By-Laws.

Where effluent not complying with the limits specified is discharged, treatment and conveyance charges being the higher of:

- R 1.15 per kilolitre industrial effluent discharged during the relevant month or
- R 3500, 00 per month for each individual parameter deviating from the acceptable parameters
- shall be payable to the Local Municipality in addition to all other charges payable to the Local Municipality in terms of this schedule of tariffs.

The purpose of these penalties is for rectification and not for income generation.

#### **4.4 Social Package**

The basic social package confirms the Municipality commitment to push back the frontiers of poverty by providing free basic services and also assists the municipality in meeting its constitutional obligations regarding the progressive realization of the social and economic rights of its residents.

- The first 6 kl of water is free to all residents.
- The first 50kwh of electricity is free to residents who are registered as indigents.
- The municipality also allows different rebates to different areas and categories of ratepayers. The rebates schedule is attached

#### **4.5 Budget Related Policy**

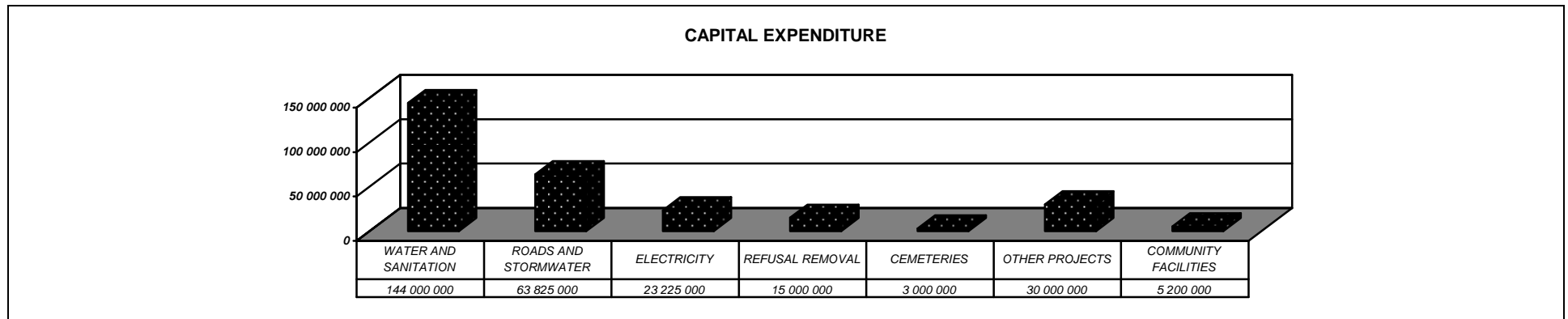
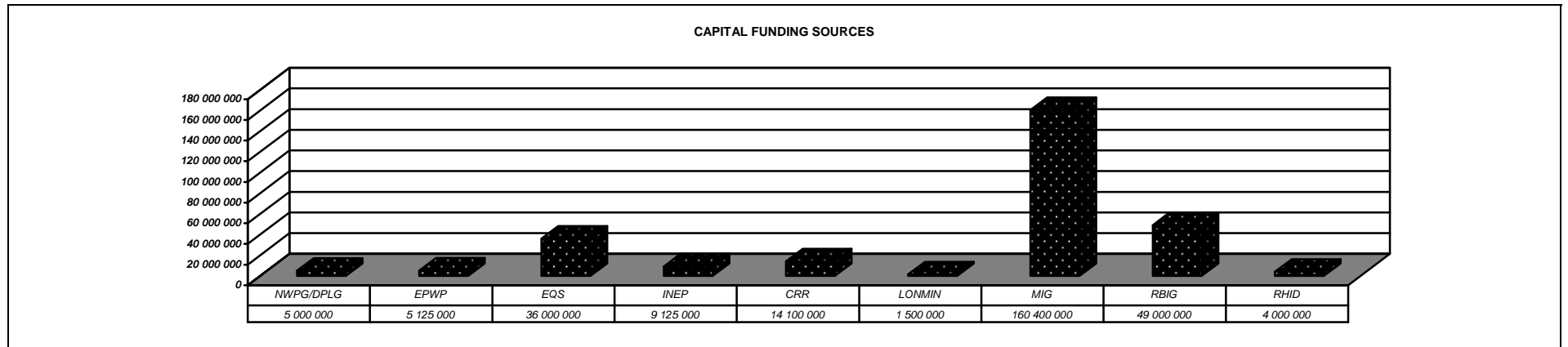
Various policies approved by Council underpin governance and the financial functioning of the municipality and are relevant to the budget process. With draft budget the tariff policy and the schedule of rates and tariffs (which contains all the tariffs of Local Municipality of Madibeng) is hereto presented. The draft Rates Policy and Schedule of all Rates and Tariffs of the municipality documents are hereby provided in a separate document.

## **5 CAPITAL BUDGET**

The Capital Budget is divided strategically into broad categories of expenditure which is based on National Treasury Capital Expenditure Categorizations and also linked to our Integrated Development Plan. These broad categories are as follows:

- **WATER, SANITATION AND ELECTRICITY**
- **ROADS AND STORMWATER**
- **REFUSE REMOVAL**
- **COMMUNITY FACILITIES, LIBRARIES**
- **LOCAL ECONOMIC DEVELOPMENT**
- **OTHER PROJECTS**

## 5.1 Capital Funding Sources and Capital Expenditure Allocation



## **BUDGET SPEECH DELIVERED BY THE EXECUTIVE MAYOR CLLR MP MAGONGWA COUNCIL MEETING 31 MAY 2011**

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Honorable Speaker

Honourable Chief Whip

Members of the Mayoral Committee

All Councilors

Honorable Traditional Leaders

Acting Municipal Manager and Heads of Departments

Members of the community

Hon. Speaker the Local Government Municipal Financial Management Act 2003 (MFMA) regulates financial management in and provides uniform Treasury norms and standards for the local sphere of Government.

Its objective is to ensure sound and sustainable Management of financial affairs of Municipalities and other institutions. The MFMA also requires for the alignment between Municipal Budget and IDP.



Hon. Speaker I am standing here today taking into account, while presenting this Budget, about external impact that might have serious negative impact if there is no improvements.

Hon. Speaker despite some financial limitation our municipality, gradually proceeded to fulfill the dreams of improving the lives of our people, and challenges we have will always strive and ensure partnership with our stakeholders ,business, community to work together so that we can do more.

Hon. Speaker for the past ± 2months our municipality has been faced with cash flow challenges that was as a result of a number of factors, major one being collectable revenue, of which after disconnection of cause we did not yield positive result.

Hon. Speaker effective financial management, a strong accountability framework, transparency and probably are key issue will be addressing.

Hon. Speaker the Municipal Manager has been requested to develop a 6 months cash flow strick management plan of which we have to evaluate after 6 months.

Mr. Speaker I stand here with pride and take opportunity on the occasion of presentation of the third Budget in this current term of Local Municipality of Madibeng and convey my sincerest greeting to you all.

In our quest to make success and seal ongoing progress, the storm that we are facing globally is more severe that anyone anticipated, our Budget will remain focused on the longer term transformation challenges.

While responding to the current economic outlook, we should not lose focus of our primary goal. Speaking at SALGA Conference on April 27<sup>th</sup>, 2007, Minister Trevor Manuel said

“Gathered here are men and women whose inactions touch the issue of lives of our people (all South African). You do this through the policies you make. You touch peoples lives through the decision you take on how to spend the Budget you pass every year. You affect live through the by-laws and regulations that you pass from time to time. So you have power, your actions can change things for better or for worse.

Through your actions you can protect the poor and by failing to act you can cause irreparable harm to the most vulnerable.

Hon. Speaker I stand here today as a proud citizen of Madibeng, inviting all citizens of Madibeng to make most of what we have. This Budget is a working tool that guide us in becoming responsive to the needs of our community that we serve.

Acknowledging that we have are some challenges and backlog but at the same time we needs to applaud the good work that has been done, to ensure maximum impact to the majority of our people.

Madibeng is growing at an alarming rate and that means there is infrastructure that requires continued maintenance, rehabilitation and huge demand for new infrastructure to cater for specific backlogs.

## **BUDGET OUTLOOK**

The principles that underpin the budget have been fully considered

- The Municipal Council Commitment to stringent budget parameters that are issued by National Treasury annually;
- The Municipal Council need to enhance rural development without compromising the urban areas by providing allocation towards maintenance;
- The Municipal Council commitment to wide consultation, i.e. the households and business sector; and
- The Municipal Council to consider affordable tariffs to all stakeholders. These tariffs recognize that our future generations must not suffer due to exorbitant rates.
- Municipality not to budget for a deficit.
- That the PIC LOAN be covered as well.

## **Operational Budget – Expenditure.**

National Treasury Continuously raises concerns on the budget allocation by Municipalities for maintenance. The poor allocation on the maintenance affects the lifespan of the infrastructure assets that should provide continuous flow of Revenue streams. The properly maintained assets reduce immediate need for the replacements and refurbishment. The additional revenue generated is then allocated to fund newly identified infrastructural backlogs. The budget makes an allocation of R47 956 894, that is, an increase of 17, 23% on R40 909 637 budget of 2008/2009. The R47 956 894 is allocated to address these infrastructure.

Electricity related matters	:	R5 535 000
Water Related matters	:	R4 186 172
Roads relate matters	:	R12 902 000
Sewer related matters	:	R 2 160 000
Vehicles	:	R 4 098 711
Buildings	:	R 5 711 259
Community Services	:	R 4 946 709
Other	:	R 8 417 043

The annual salaries and public office bearer's increases have not been finalised on Monday, 25 May 2009. The upper limit for remuneration of the members of the Municipal Council has a process that requires the submission of commission report to the President of the Republic of

South Africa. That process has not been finalised including the South African Local Government Association (SALGA) bargaining process with SAMWU and IMATU.

The Municipality has made provision as well as the key strategic positions that were approved in June 2008 when the Organizational Structure was considered. Failure to attract and retain the employees will ultimately affect bold service delivery resolution that must be implemented.

**The other key operational expenditure that cannot be compromised are the following:**

<b>DESCRIPTION</b>	<b>AMOUNT</b>	<b>%</b>
Provision for Bad Debts	R 25 510 728	5
Depreciation	R 5 500 000	1
Finance Charges	R 31 673 778	6
Bulk Purchases	R192 827 295	37
Contracted Services	R 62 477 591	12
Assistance to Indigents	R 15 472 286	3
General Expenses	R137 118 429	26

Internal Consumption	R 7 218 600	1
Leave Provision	R 1 289 577	0

These operational expenditures are key compartments that must be provided to enhance efficient and effective administrative operations of the Municipal Council.

The provisions for bad debts and leave, Depreciation, assistance to indigents and internal consumption allocation provides the necessary costs allocation for efficient working capital. Working capital offers cushion in recognizing the expenses that affects future cash flow and capital expenditure. The R31 673 778 finance charges covers the interest and redemption on the external loans that where taken to advance and reduce infrastructural backlogs.

The Members of the Municipal Council are fully aware about the PIC loans challenges and the Office of the Municipal Manager is currently engaged with the National Treasury (NT) and; Department of Cooperative Governance and Traditional Affairs (DCGTA) in seeking remedy and lasting solution. These remedies will unlock funding to the tune of R20 million to address infrastructure backlogs.

The bulk purchases amount of R192 827 295 represent thirty seven percent (37%) of the total direct operational costs. The bulk purchases of electricity and water are not under the final control of the Municipality they are influenced by approval of Eskom and DWAF tariffs increases.

A six month incentive on Electricity for our Industrialist so that we could the jobs they have created in Madibeng of between 2% to 4% of 35% Electricity tariff but was our economy is improved will turn to the normal Electricity 35%. Municipal Manager to develop a framework of criteria on this inserting

## 2. **Operational Income**

The budget principle of affordable tariffs has been mentioned earlier on in the Budget Speech. The MFMA Section 20(2) indicates the need by Minister of Finance to provide guidelines to the Local Government on the tariffs increase. The tariff increases that are considered in the 2009/2010 budget, have aimed to fully comply with MFMA Circular 48 and addendum to the Circular.

The Municipality aims to fully comply and not undermine the national economic policies, particularly that on inflation and national mobility of goods, services and capital. To this end the tariffs below where considered to support the total operational costs:

DESCRIPTION	INCREASE
Water	20%
Electricity	35%
Refuse Removal	6%
Rates	NEW

Other Services, Excluding Cemeteries	6%
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### **Water and Electricity**

The water tariffs increase of twenty percent (20%) is far below the increase of Sixty three percent (63%) that will provides competitive rates to enhance economic activities across Municipal boundaries. The operational and maintenance costs of the Local Municipality of Madibeng is R4,02 kilolitre, whereas the current tariff is R2, 67 per kilolitre. At this current state, the Municipality will fall deeper and deeper into the cash flow crisis.

For 2005 and 2006 financial years, a report that been prepared by independent consultants indicates that the Municipality experienced financial losses of R29, 2 million and R26,6 million respectively. For this Municipal Council to bury its head in the sand will be detrimental in the long term and not indicate responsible decision making. The water tariffs increases must be considered.

The MFMA Circular N0. 48 had addendum issued on 27 March 2009 by National Treasury. The addendum advises Municipalities to budget for twenty five percent (25%) real increase in bulk electricity tariffs. The Municipality has considered thirty five percent (35%) increase. The twenty percent (20%) and thirty five percent (35%) tariffs increases are influenced by the following:



- Cost of Bulk purchases of Water and Electricity;
- Distribution costs;
- Distribution losses;
- Depreciation expenses (Capital Replacement Reserve);
- Maintenance of infrastructure and fixes assets;
- Cost approved for indigent; and
- Overhead costs;

Honorable Speaker, to ensure that the Budget consultation process is not just for compliance and lip service, the Office of the Executive Mayor tasks the Municipal Manager to investigate and provide report on the incentives schemes to the Industrialist, Business and Commercial Sector that are located in the different Municipalities. The research will offer the Municipal Council an opportunity to consider incentives to our businesses, and such report must reach the Municipal Council on or before 28 July 2009.

### **Refuse Removal and Other Services**

The MFMA Circular No. 48 issued by National Treasury on 15 March 2009 has encouraged Municipality to consider tariffs increases to the maximum of six percent (6%). Any deviation that is outside the six percent (6%) will have to be motivated, especially in these economic meltdown. The Municipality has considered the maximum

parameters that are a guide in the National Treasury Circular and support national economic policy of inflation targeting.

### **Property Rates**

The implementation of Municipal Property Rates Act (MPRA) is a challenge to the Municipalities across length and breath of the country. The Department of Developmental Local Government (DDLG) has advise Municipalities to continue with the public participation and objections until Tuesday 30 June 2009.

The implementation of MPRA is new and Municipality must avoid the delays that will affect their budgeted revenue negatively.

The Municipality has considered impermissible rebate of R17 000 per valuation of the property, whereas the minimum is R15 000. The additional R2 000 is recognition of the MPRA implementation challenges and economic consideration.

There are additional shock rebate of five percent (50%) for households, business/commercial and seventy five percent (75%) for agriculture. Furthermore, the rebate of fifty percent (50%) and sixty percent (60%) for Privately Developed Township and newly rate able Agricultural Properties respectively.

These rebates are not automatic in the financial information system and requires the necessary application at the Municipal revenue

division. The applications will be processed within thirty days (30 days).

There is additional twenty percent (20%) to households that belongs to pensioners.

### **Cemeteries**

The Municipal Council is encouraged not to consider any increase for the cemeteries tariffs in the 2009/2010 budget. The transformational phase of wall to wall Municipality requires uniform tariffs for the cemeteries across our area of jurisdiction.

### **3. Capital Budget**

The total capital budget tabled for adoption and approval is R263 492 794. The amount excludes an amount of R5 million for Community Based Planning Projects from Department of Cooperative Governance and Traditional Affairs (DCGTA). The telephone discussion on Monday, 25 May 2009 with the Department indicated there is no budget allocation for the Community Based Planning.

The MSIG portion must be utilized for Ward Committee's activities, this need to be rolled out to ten ward and office of the Speaker should priorities R 1m will be utilized. Second before end June notebook,

laptops, 14 for Ward Committees be purchased and be included in our assets and last 17 be covered 09/10 budget.

An amount of R92, 5 million is allocated to address the bulk water and related services challenges. The total amount of R10,5 million and R15 million for the water services related infrastructure will be supplied by Basic Infrastructure Grant (BIG) and Public Private Partnerships (PPP) respectively. The remainders, that is, R66 977 683 will be provided by Municipal Infrastructure Grant (MIG).

On line budget for Itsoeng Ward 16 Water be transferred to Ward 8 Klipgat for formalization of Water due to the fact that **Ward 16 Councilor reported that they have Water, they don't need Water.**

Capital Budget related to bulk electricity and related matters amounts to R16 1000 000. INEP amount to R6 100 000 whereas the internal funding towards electricity is R10 000 000.

R 20m will be budgeted for free 60 k/w basic Electricity for all 31 Wards.

The total amount of R8 million is allocated towards sewerage related infrastructure. An internal funding of R2 million will be utilized towards the Mobile Chemical Toilets. The Municipality will purchase these toilets rather than lease at the exorbitant prize.

The total amount of R66 920 902 is earmarked for roads infrastructure. It must be indicated that an amount of R30 million is expected to be funding from Provincial Government. This amount represent forty five percent (45%) of the total roads allocation.

The Municipal Manager to ensure in terms of Roads maintenance, **Mothotlung cemetery road and Sofasonke** be looked in and be address. **Shakung Road will be funded by Bojanala Platinum District not MIG.**

The Solid Waste Budget amount is R3 200 000 which is MIG funding. Furthermore, an amount of R6 400 000 will be utilized to upgrade and develop regional cemeteries.

The community services infrastructure of libraries, multipurpose sports centre, parks, Madibeng Urban Greening, Fire Station, Hawkers Pavilion and Agricultural Projects totaling an amount of R26 542 000 is funded from MIG.

The total amount of R41 352 209 will be fully utilized as internal revenue to acquire plant and equipment, investment assets and council's guest house. The R30 million that is earmarked for plant and equipment will reduce reliance of the Contracted Services and unlock the funding from operational costs of contracted services to the capital funding.

Furthermore, employees that are not utilized to full capacity due to the contracted services will be provided with Municipal machinery to provide basic community and infrastructural services. Honorable Speaker R 5 m Community based planning should read as R1m and should be for 10 Wards.

Honorable Speaker, I would like to take this opportunity to thank all members of the budget steering committees (BSC), the Members of the Mayoral Committee, Councilor's for the wisdom and support they gave to me in the preparation of the 2009/2010 budget.

Thanks are sent to the Municipal Manager and the staff for the patience they show case when changes made to the report. The community for their contribution since we started with the Integrated Develop Plan (IDP) and the budget public participation. The appreciation by the business community on the Municipality challenges.

Housing subsidies were done for MTEF period, therefore there is no change.

1000 for Ward 30

1500 for Ward 22 Oukasie

500 for Rural Housing pilot,

### **Electricity 2009/2010 Eskom Budget**

For Eskom only R 10.3 m was approved instate of R 20 m

### **Priorities for 09/10 Ward Reticulation**

1. Jonathan 60 Phase 1/Ward 1
2. Wonderkop 400 Phase 1/ Ward 26
3. Jericho 450 Phase 1/Ward 2
4. Madidi 70 once off / Ward 3
5. Segwaelane 50/ Ward 25

6. Bapong/ Majakaneng 250 once off / Ward 7, Ward 28, Ward 25
7. Itsoseng 50/ Ward 16
8. Hebron 50 / Ward 15

### **Land issues**

Since 5m was in this current year's budget if not spend, should be rolled over.

### **CONCLUSION**

If all change is unpredictable and complex, if we can never tell which beat of which butterfly's wing will trigger the hurricane, is there any point of trying to analyse unforeseeable event? One possible answer is NO given such complexity, all stakeholders can reasonably do is to show solidarity with poor people and their organisation engaged in unpredictable struggles, accompanying them without trying to foresee the future or pick winners"

Solidarity will itself involve a choice of partnership.

In simple working it that if our economic scenario becomes worse than today we have to partner with our citizen business people and poor to look for and alternative in executive scheme of which will plan for next six month while assessing performance of our Economic trend whether they become better.

THANK YOU VERY MUCH, NA GOMSO.

THE BUDGET IS TABLED FOR ADOPTION AND APPROVAL IN  
TERMS OF MFMA SECTION 24 (1)



### 3. Budget Related Resolutions

As required by Municipal Finance Management Act No 56 of 2003, and to reflect the legal form of the budget, the resolutions to be considered upon approval of the budget after consultation process has taken place would be:

#### 3.1. That cognizance be taken

- 1.1 That the budget together with the related policies tabled in Council on 31 May 2011 was subjected to community participation through IDP Representative Forum Meeting which was held on 20 April 2011 and through advertisements on local newspapers;
- 1.2 Of the need for the relevant departments to obtain confirmation of all the external funds excluding municipal infrastructure grant that have been identified as funding resources for some of the projects in capital budget; and
- 1.3 Of the pending approval by NERSA of the application made on the Proposed 35% increase on electricity tariffs. The municipality will continue charging 20.38% as recommended by national treasury until we receive the response from NERSA

#### 3.2. That the final budget proposals by the Executive Mayor for the financial year 01 July 2011 to 30 June 2012 as contained in the Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014, be approved.

#### 3.3. That Council's Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014, as amended, be adopted and be submitted to the National – and Provincial Treasuries.

#### 3.4. That Council takes note that for the 2011/2012 financial year the income and expenditure budget has a surplus of R59 000.

#### 3.5. That the following proposed tariffs increase be approved and be implemented as from 01 July 2011

SERVICE	TARIFF INCREASES
	%
Refuse removal	6.08
Sewerage	6.08
Assessment rates	6.08
Electricity	20.38
Water	20
Other Tariffs(excluding Cemeteries tariffs)	6.08

- 3.6. That annual salary increase of 2% plus CPI percentage determined in terms of the local government multi-year collective salary agreement should be approved to be implemented as from 01 July 2011 for all the Local Municipality of Madibeng employees including section 57 Managers.
- 3.7. That provision has been made for 8.5% estimated increase in salaries of Councilors which still have to be announced in terms of Public Office Bearers Act.
- 3.8. That Heads of Department should prioritise the filling of critical vacancies as there are limited resources meant for this purpose and that appointment on a notch higher than the commencing notch of the relevant salary scale should only be made in exceptional circumstances.
- 3.9. That Head of Department should monitor the revenue of their relevant Departments/section regularly, and, should they find that the estimated revenue would not be realized, and advice Budget & Treasury Office so that the Budget Adjustments report could be submitted timeously to council for approval.
- 3.10. That capital expenditure to be financed from grants and other external mechanisms takes places after the funds secured have been confirmed in writing and/ or received.
- 3.11. That the departments responsible for the claiming of grants and sourcing other funding means ensure that such is done punctually in order to prevent cash flow problems for council and that a copy of the claims for funds immediately be made available to the Budget and Treasury Office.
- 3.12. That Heads of Department submit their departments' financial needs (Operational & Capital) of the next financial year budget, to the Budget and Treasury Office within the timeframe as determined in the budget preparation schedule still to be tabled and adopted by Council on or before the end of August 2011.
- 3.13. That capital expenditure to be financed from grants and other external mechanisms takes place after the funds secured have been confirmed in writing and/or received. Furthermore, Council must take note of the unfunded capital expenditure included in the capital budget to the amount of R44,1 million. The proposed capital budget should entirely be based on the IDP priorities in order to achieve National targets on service provision.
- 3.14. That measurable performance objectives for revenue from each source and for each vote contained in the budget presentation as determined in term of Section 24(2)(c)(iii) of the MFMA be approved.

- 3.15. Roll-over capital projects be identified and completed in the 2011/12 financial year and that it does not limit the scope of progress of new capital projects
- 3.16. That the following budget related policies, namely, Budget Policy, Rates Policy, Cash Management and Investment Policy, and Credit Control and Debt Collection Policy as well as the schedule of tariffs hereto presented as the supporting documents of budget be approved and be implemented as from 01 July 2011.
- 3.17. That by-laws to give effect to the implementation of the Credit Control and Debt Collection Policy and the Rates Policy be published in terms of Section 12 of the Municipal Systems Act for public comments and subsequently be submitted to Council for passing.

**LOCAL MUNICIPALITY OF MADIBENG**

**MINUTES OF A SPECIAL MEETING OF THE MUNICIPAL COUNCIL OF THE  
LOCAL MUNICIPALITY OF MADIBENG, HELD IN THE TOWN HALL, VAN  
VELDEN STREET, BRITS ON TUESDAY, 31 MAY 2011 AT 17:31**

**PRESENT**

Councillor PB Makhongela  
(Speaker)

**COUNCILLORS**

(See copy of attached attendance register)

**OFFICIALS**

Mr DH Makobe  
(*acting* Municipal Manager)

Mr PWN Nyembe  
(*acting* Chief Operating Officer)

Ms L Sebidi  
(*acting* Director: Water & Sanitation)

Mr AK Modise  
(Director: Corporate Support Services)

Mr ME Manaka  
(*acting* Director: Community Services)

Ms LL Vokwana  
(Director: Human Settlement)

Mr JWC Heinemann  
(Manager: Administration)

Mr M Tsotetsi  
(*acting* Director: Strategic Management  
and Local Economic Development)

Mr TJ Tshoke  
(Administrative Officer)

# **1. OPENING / WELCOME**

The Speaker declared the meeting open and welcomed everybody present.

## **2. APPLICATIONS FOR LEAVE OF ABSENCE (3/2/1/2)**

An application for leave of absence was received from the following Councillor:

MM Briel

### **RESOLVED**

That the above mentioned application for leave of absence be approved.

# **3. REPORTS FOR CONSIDERATION**

**A.0018**

## **THE ADOPTION OF THE DRAFT INTEGRATED DEVELOPMENT PLAN (IDP REVIEW) FOR 2011/12 (16/1/4/1)**

### **RESOLVED**

#### **1. That cognizance be taken:**

1.1. Of the IDP Process and Budget Plan that was adopted by Council on 03 November 2010 – resolution no. ADM.0110, according to which the 2011/12 IDP Review was scheduled to be adopted by 31 May 2011;

1.2. of Circular No. 54, received from National Treasury, whereby Municipalities were given two options in which to handle the Municipal IDP's in an effort to ensure compliance and smooth transition between the current Councils and newly elected one's.

1.3 that the two options, as set out in Circular 54, mainly entail the following:

1.3.1. Option 1 recommends that the outgoing council approves the 2011/12 budget.

1.3.2. The outgoing Council prepares the 2011/12 budget and the new Council approves it.

- 1.4. that the majority of Municipalities, Bojanala District Municipality included, have chosen Option 1 and, as a result, the Local Municipality of Madibeng, followed suit;
- 1.5. of the implications of Option 1 that are as follows:
  - 1.5.1. The compilation of IDP Projects, as well as the Medium Term Revenue and Expenditure Framework for the 2011/13 cycle, to be completed by mid-April 2011 and approved by Council before the end of April 2011; and that
  - 1.5.2. The 2011/12 IDP Review processes had to be convened earlier in order to comply to the requirements of the Municipal Systems Act and that all requisite processes be finalized.
- 1.6. that all legislative requirements, with the exception of one, viz: the adoption of the 2011/12 budget by the Council, have been met within the set timeframes, i.e:
  - 1.6.1. The IDP Ward Level Public Participation meetings took place from 08 November to 05 December 2011.
  - 1.6.2. An IDP Rep. Forum Meeting was held on 09 December 2010 whereby feedback was given on the outcome of the Public Participation exercise and the municipal wide needs determined as follows:
 

Priority 1	:	Water & Sanitation and Land & Housing
Priority 2	:	Roads and Stormwater
Priority 3	:	Electricity
Priority 4	:	Social Services
Priority 5	:	LED
  - 1.6.3. The Municipal Objectives and Development Strategies were reviewed by the Strategic Management Team, in consultation with members of the Mayoral Committee.
  - 1.6.4. Sector Department engagement was done by means of a joint meeting hosted by Bojanala Platinum District Municipality on 03 March 2011.
  - 1.6.5. The Draft 2011/12 IDP Review was adopted by Council on 01 April 2011 as per resolution ADM.0229.
  - 1.6.6. An IDP Representative Forum meeting, to present the draft 2011/12 budget and the adopted Draft 2011/12 IDP Review, was held on 20 April 2011.

1.6.7. The adopted Draft 2011/12 IDP Review went out on public comments from 01 April 2011 to 21 April 2011 and no comments were received.

- 1.7. that, in order to comply to the requirements as set out in Option 1, the 2011/12 IDP Review has to be adopted by the current Council.
2. That the 2011/12 Draft IDP Review be adopted by Council;
3. That, in order to comply to the Municipal Systems Act, copies of the 2011/12 IDP be distributed to the MEC of the Department of Local Government and Tribal Authorities, as well as to the Municipal Manager of Bojanala Platinum District Municipality, within 10 days after adoption thereof.
4. That it be clearly indicated that the budget incorporated into the IDP document still has to be adopted by Council and that copies of the 2011/12 budget will be forwarded under separate cover to the MEC and Bojanala Platinum District Municipality, upon adoption thereof.
5. That no further copies of the adopted 2011/12 IDP Review be distributed until the adoption of the budget.

#### A.0019

#### **SUBMISSION OF THE BUDGET FOR 2011/2012 TO 2013/2014** **(5/1/2/1/1) (5/1/2/1/2)**

#### **RESOLVED**

1. That cognizance be taken:
  - 1.1 of the final budget proposals by the Executive Mayor for the financial year 01 July 2011 to 30 June 2012, as contained in the Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014;
  - 1.2 that, in respect of the 2011/2012 financial year, the income and expenditure budget has a surplus of R59 000.
2. That the final budget proposals by the Executive Mayor for the financial year 01 July 2011 to 30 June 2012, as contained in the Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014, as amended, be approved.
3. That Council's Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014, as amended, be adopted and be submitted to the National- and Provincial Treasuries.

4. That the proposed tariffs increase, as indicated on the Tariffs policy, be approved.
5. That annual salary increase of 2% plus CPI percentage determined in terms of the local government multi-year collective salary agreement, be approved and be implemented as from 01 July 2011 for all the Local Municipality of Madibeng's employees, including Section 57 Managers.
6. That provision be made for 8.5% estimated increase in salaries of Councillors which still have to be announced in terms of the Public Office Bearers Act.
7. That Heads of Department prioritise the filling of critical vacancies as there are limited resources meant for this purpose and that appointment on a notch higher than the commencing notch of the relevant salary scale should only be made in exceptional circumstances.
8. That Heads of Department monitor the revenue of their relevant departments/section regularly, and, should they find that the estimated revenue would not be realised, they advise Budget and Treasury Office department so that a budget adjustments report can be submitted timorously to Council for approval.
9. That capital expenditure to be financed from grants and other external mechanisms takes place after the funds secured have been confirmed in writing and/or received. Furthermore, Council to take note of the unfunded capital expenditure included in the capital budget to the amount of R44,1 million. The proposed capital budget should entirely be based on the IDP priorities in order to achieve National targets on service provision.
10. That roll-over capital projects be identified and completed in the 2011/12 financial year and that it does not limit the scope of progress of new capital projects.
11. That the departments responsible for the claiming of grants and sourcing other funding means ensure that such is done punctually in order to prevent cash flow problems for Council and that a copy of the claims for funds immediately be made available to the Budget and Treasury Office.
12. That measurable performance objectives for revenue from each source and for each vote contained in the budget presentation as determined in terms of section 24(2)(c)(iii) of the MFMA be approved.
13. That the following budget related policies, namely, Budget Policy, Rates Policy, Cash Management and Investment Policy, Indigent Management Policy, Supply Chain Management Policy and Credit Control and Debt Collection Policy, as well as the schedule of tariffs hereto presented as the supporting documents of budget, be approved and be implemented as from 01 July 2011.



14. That by-laws to give effect to the implementation of the Credit Control and Debt Collection Policy and the Rates Policy, be published in terms of Section 12 of the Local Government: Municipal Systems Act, for public comments and subsequently be submitted to Council for passing.

**A.0020**

**THE REVIEWED CREDIT CONTROL POLICY APPROVED AS A DRAFT POLICY PER COUNCIL RESOLUTION NO. 0235**

**RESOLVED**

1. That cognisance be taken that:
  - 1.1 The draft Credit Control and Debt Collection Policy was provisionally approved per Council Resolution No.0235, by the previous Council; and
  - 1.2 amendments to the draft policy were made.
2. That the draft Credit Control and Debt Collection Policy, as amended, be approved.

**A.0021**

**THE REVIEWED POLICY ON THE SUBSIDY SCHEME FOR INDIGENT HOUSEHOLD ADOPTED AS A DRAFT POLICY PER COUNCIL RESOLUTION NO. 0236**

**RESOLVED**

1. That cognisance be taken of the report regarding the approved draft of the Policy on the Subsidy Scheme for Indigent Household.
2. That the draft policy on the Subsidy Scheme for Indigent Households, as adopted per Council Resolution No.0236, be approved.

**A.0022**

**THE REVIEW OF POLICY ON TARIFFS FOR ELECTRICITY SUPPLY SERVICES**

**RESOLVED**

1. That cognisance be taken of the report of revised draft tariff on electricity supply charges.

2. That, based on the price increase, and increases in the price of other inputs, the Electricity supply tariff increase of 20.38% for the financial year 2011/12, as guided by the National Electricity Regulator of South Africa (NERSA), be approved.

#### A.0023

#### **THE REVIEWED POLICY ON TARIFFS FOR WATER SUPPLY SERVICES AND SANITATION CHARGES**

##### **RESOLVED**

1. That cognisance be taken of the report of revised draft tariffs on water and sanitation.
2. That the introduction of new charges (tariffs) called basic charge for water (availability charges for water) and basic charge for sewer (availability charged for sewer) that will be used for the critical maintenance of the water and sewer networks and pump stations, be approved.

#### A.0024

#### **THE REVIEW OF POLICY ON SCHEDULE OF RATES AND TARIFFS INCLUDING ASSESSMENT RATES AND REFUSE CHARGES FOR THE LOCAL MUNICIPALITY OF MADIBENG**

##### **RESOLVED**

1. That cognisance be taken of the report of revised draft of policy on Schedule of Rates and Tariffs for the Local Municipality of Madibeng.
2. That the tariffs increase as stipulated in the Schedule of Rates and Tariffs of the Local Municipality of Madibeng for the 2011/12 Financial Year, as guided by section 2 and 3 of MFMA Circular No.55, be approved.

**The following items, contained in addenda to the agenda, were withdrawn from the agenda:**

ITEM NO	DESCRIPTION
A.0025	DETERMINATION OF FEES AND CHARGES BY THE HOUSING AND LAND ADMINISTRATION DIVISION IN TERMS OF SECTION 75A OF THE MUNICIPAL SYSTEMS ACT

- A.0026 OPERATION AND MAINTENANCE AGREEMENT FOR BRITS AND HARTBEESPOORT WATER PURIFICATION PLANT
- A.0027 REGIONAL BULK INFRASTRUCTURE AGREEMENT FOR THE UPGRADE OF BRITS WATER PURIFICATION PLANT
- A.0028 REPORT TO LEASE WITH AN OPTION TO BUY STANDS NO: 3154 AND 3155 IN THE BRITS EXTENSION 65 (INDUSTRIAL AREA) TO CUL STUFF FOOD SERVICES CC
- A.0029 PROPOSAL FOR THE UTILIZATION OF TREATED EFFLUENT FROM BRITS WASTEWATER PURIFICATION PLANTS

#### 4. CONFIRMATION OF THE MINUTES

- 4.1 Special meeting of the Municipal Council of the Local Municipality of Madibeng held on 31 May 2011.

#### RESOLVED

- 1. That the minutes of a special meeting of the Municipal Council of the Local Municipality of Madibeng held on 31 May 2011, be confirmed and approved.

#### 5. CLOSURE

The meeting was closed at 18:20.

#### CERTIFIED AS CORRECT AND CONFIRMED

24/06/2011  
DATE

JWCH/gh  
2011-05-31

  
\_\_\_\_\_  
SPEAKER OF COUNCIL

## **4. Budget Presentation**

All steps were taken to ensure that the requirements of the Municipal Finance Management Act, No 56 of 2003, especially Chapter 4 (section 15 to 33), as well as any MFMA circulars from National Treasury, were fully observed in the process of the preparation of the 2010/2011 budget. The budget document hereby presented complies with the MFMA and the format complies with the requirements of National Treasury

### **4.1. Budget Process Overview**

During August 2010 the Executive Mayor convened the first Budget Steering Committee meeting for 2010/2011 to consider and evaluate through the budget evaluation checklist, the budget process and consider a schedule of key deadlines for the preparation of the next financial year budget. During the same month the Executive Mayor tabled in Council this schedule of key deadlines and the document was approved

During October to November 2010 the Council with the assistance of Ward Committees engaged into an outreach program to assess the needs of the community in all wards. All needs recorded were later prioritised and included in Council's draft Integrated Development Plan.

The Executive Mayor in the process of preparing the budget made sure that various issues required by the Municipal Financial Management Act are addressed:

- Review of the IDP objectives and strategies;
- Review of the 2010/11 Service Delivery and Budget Implementation Plan (SDBIP);
- Review of the existing and compiling new budget-related policies;
- Consider the Macro and Micro economic climate and budget guidelines, requirements and growth parameters;
- Planning the Implementation of GFS classifications;
- Consider proposed tariff increase;
- Prioritise community needs in the IDP when drafting Capital Budget

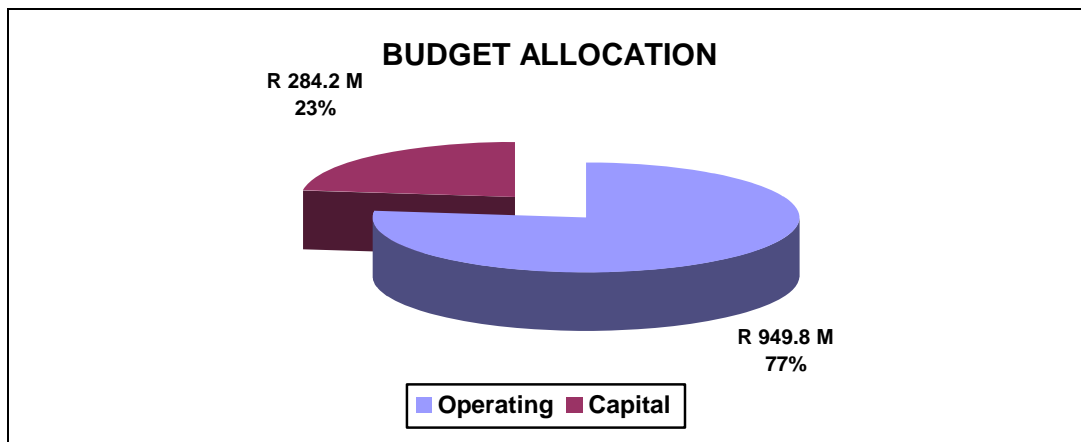
On 31 March 2011 the draft budget and its supporting documents were tabled in Council for consideration, discussion and referral for community participation. After tabling, the draft 2010/11 budget, IDP and budget related policies as well as all other budget-related documents were published for public comments and inputs. All comments and submissions received were dealt with by the Execut

## 4.2 Executive Summary

4.2.1 The total operational budget proposed hereto presented in this budget report for the 2011/12 financial year has changed from the proposed draft budget tabled in May in efforts to address some of the community needs raised during the budget hearings. The income shown in the budget is the billed income. One has to however make provision for the billed income which could not be collected. In order to align the cash flow or income actually received to the billed income, one reduces or “balances” the expenditure to this actual income received through the contribution to working capital/ bad debt reserve. The contribution to the Capital Replacement Reserve is for the funding of capital assets

### 4.2.2 Budget Allocation

The budget of our municipality which totals R1, 233, 9 billion comprising R284, 2 million Capital expenditure and R949, 7 million direct operating expenditure, reflects Council’s response to the needs of its residents, ratepayers and the business community which it serves.



### 4.2.3 OPERATING BUDGET

Severe constraints were placed on the development of the Operating Budget; however Council was conscious to keeping increases in expenditure, in line with the macro limits imposed by National Treasury. Furthermore, the Council will as required by the Municipal Financial Management Act to produce credible and balance budget.

ANNEXURE 3	BUDGET 2010/11	TO-DATE EXPENDITURE AT 28/02/2011	PROJECTED 2010/11	BUDGET 2011/12	BUDGET 2012/13	BUDGET 2013/14
<b>OPERATING EXPENDITURE</b>						
<b><u>EMPLOYEE RELATED COSTS - SALARIES</u></b>						
SALARIES: ACTING ALLOWANCES	240 446	2 271 568	3 407 352	112 000	117 936	118 160
SALARIES: CONTRIBUTION TO IN	213 851	28 864	43 296	65 000	68 445	68 575
SALARIES: EMPLOYEES	124 758 320	73 394 280	110 091 419	123 600 000	130 150 800	130 398 000
SALARIES: HOUSING SUBSIDIES	1 718 976	873 402	1 310 103	2 116 000	2 228 148	2 232 380
SALARIES: LEAVE BONUSES	9 067 644	6 216 490	9 324 734	10 572 000	11 132 316	11 153 460
SALARIES: OVERTIME	1 883 444	13 501 347	20 252 020	7 000 000	7 371 000	7 385 000
SALARIES: REDEMPTION OF LEAVE	256 014	2 814 657	4 221 986	3 665 000	3 859 245	3 866 575
SALARIES: STAND BY ALLOWANCE	969 263	927 238	1 390 857	467 000	491 751	492 685
SALARIES: TELEPHONE/CELLPHON	205 215	140 850	211 274	227 000	239 031	239 485
SALARIES: TEMPORARY EMPLOYEES	99 999	0	0	0	0	0
SALARIES: TRAVELING ALLOWANCE	9 506 250	6 910 417	10 365 625	11 255 000	11 851 515	11 874 025
SALARIES: TRANSITIONAL ALLOWANCE	29 592	17 781	26 672	24 000	25 272	25 320
<b>SUB-TOTAL EMP COST SALARIES</b>	<b>148 949 014</b>	<b>107 096 893</b>	<b>160 645 339</b>	<b>159 103 000</b>	<b>167 535 459</b>	<b>167 853 665</b>
<b><u>EMPLOYEE RELATED COSTS - SOCIAL CONTR</u></b>					0	0
SALARIES: CONTRIBUTION TO MEDICAL AID	10 436 168	8 525 284	19 000 000	20 712 000	21 809 736	21 851 160
SALARIES: CONTRIBUTION TO PENSION FUND	25 144 394	15 496 600	23 244 900	28 489 000	29 998 917	30 055 895
SALARIES: CONTRIBUTION TO PROVIDENT FUND	1 655 235	1 059 073	1 588 609	2 863 000	3 014 739	3 020 465
SALARIES: CONTRIBUTION TO U.I.F.	1 400 532	705 102	1 057 653	1 323 000	1 393 119	1 395 765
<b>SUB-TOTAL EMP COST SOCIAL CONTRIBUTIONS</b>	<b>38 636 329</b>	<b>25 786 059</b>	<b>44 891 162</b>	<b>53 387 000</b>	<b>56 216 511</b>	<b>56 323 285</b>
<b>TOTAL EMPLOYEE COSTS</b>	<b>187 585 343</b>	<b>132 882 952</b>	<b>205 536 501</b>	<b>212 490 000</b>	<b>223 751 970</b>	<b>224 176 950</b>
<b><u>REMUNERATION OF COUNCILORS</u></b>						
COUNCILLORS: CELL ALLOWANCES	786 567	529 760	794 641	967 700	1 018 988	1 020 924
COUNCILLORS: GENERAL ALLOWANCE	9 135 616	5 915 781	8 873 672	10 536 600	11 095 040	11 116 113
COUNCILLORS: MEDICAL AID FUND	794 938	474 695	712 042	1 244 000	1 309 932	1 312 420
COUNCILLORS: PENSION FUNDS	1 264 857	807 683	1 211 524	1 580 700	1 664 477	1 667 639
COUNCILLORS: TRAVEL ALLOWANCE	3 826 070	2 402 446	3 603 669	4 454 000	4 690 062	4 698 970
<b>SUB-TOTAL REMUNERATION COUNCIL</b>	<b>15 808 048</b>	<b>10 130 365</b>	<b>15 195 547</b>	<b>18 783 000</b>	<b>19 778 499</b>	<b>19 816 065</b>
<b>TOTAL REMUNERATION BUDGET</b>	<b>203 393 391</b>	<b>143 013 317</b>	<b>220 732 048</b>	<b>231 273 000</b>	<b>243 530 469</b>	<b>243 993 015</b>
<b><u>BAD DEBTS</u></b>						
TRANSFERRED TO BAD DEBT PROV	116 000 000		116 000 000	132 000 000	138 996 000	139 260 000
<b>SUB-TOTAL BAD DEBTS</b>	<b>116 000 000</b>	<b>0</b>	<b>116 000 000</b>	<b>132 000 000</b>	<b>138 996 000</b>	<b>139 260 000</b>
<b><u>DEPRECIATION</u></b>						
DEPRECIATION	36 000 000		36 000 000	40 000 000	43 200 000	44 000 000
<b>SUB-TOTAL DEPRECIATION</b>	<b>36 000 000</b>	<b>0</b>	<b>36 000 000</b>	<b>40 000 000</b>	<b>43 200 000</b>	<b>44 000 000</b>
<b><u>REPAIRS &amp; MAINTENANCE - MUNICIPAL ASSETS</u></b>						
BUILDINGS & EQUIP	414 900	187 447	281 170	500 000	526 500	527 500
BUILDINGS & EQUIP: DEPARTMEN	700	0	0	0	0	0
BULK REFUSE CONTAINERS & NET	15 000	9 285	13 927	75 000	78 975	79 125
CEMETERY TERRAINS	135 000	70 931	106 397	150 000	157 950	158 250
COSMOS RIDGE REHABILITATION	6 000 000	0	0	0	0	0
DUMPING SITE/TRANSFER STATION	300 000	0	0	0	0	0
ELECTRICITY NETWORK	3 168 506	1 028 606	1 542 909	2 000 000	2 106 000	2 110 000
FILTER SAND	50 000	0	0	75 000	78 975	79 125
FIRE EXTINGUISHERS	49 999	0	0	50 000	52 650	52 750
FIRE HYDRANTS	48 000	0	0	50 000	52 650	52 750
FIRE SERVICES GRANT	0	0	0	300 000	0	0
FIRE-HOSES	5 000	0	0	20 000	21 060	21 100
FURNITURE/OFFICE MACHINE/EQU	45 003	7 541	11 311	100 000	105 300	105 500
GRAVEL PITS	0	0	0	150 000	157 950	158 250
GRAVEL ROADS	1 500 000	173 684	260 526	750 000	789 750	791 250
KIDDIES PARKS	13 362	0	0	20 000	21 060	21 100
KITCHEN UTENSILS	0	0	0	8 000	8 424	8 440
LABORATORY EQUIPMENT	30 000	0	0	75 000	78 975	79 125
MACHINERY/EQUIPMENT FLEET	491 166	158 886	238 329	300 000	315 900	316 500
MACHINERY/EQUIPMENT NON FLEE	491 166	34 106	51 159	75 000	78 975	79 125
MAINTENANCE OF TERRAIN	0	0	0	30 000	0	0
MAINTENANCE OF TERRAIN: DEPA	39 999	19 041	28 561	30 000	31 590	31 650
MAINTENANCE WORK: CONTRACTORS	0	0	0	0	0	0
MAINTENANCE & ENHANCEMENT OF	300 000	0	0	250 000	263 250	263 750
NETWORK: CONTRACTORS	51 250	0	0	75 000	78 975	79 125
NURSERY TERRAIN	9 164	6 241	9 362	30 000	31 590	31 650
PARKING METERS	4 000	0	0	20 000	21 060	21 100
PARKS & GARDENS	0	0	0	5 000	5 265	5 275
PARKS & GARDENS: DEPARTMENTA	20 000	0	0	0	0	0
PARKS & GARDENS: RURAL AREAS		0	0	30 000	31 590	31 650
RADIOS	25 825	0	0	50 000	52 650	52 750
REPLACEMENT: TOOLS/SMALL EQU	44 500	-6 634	-9 950	75 000	78 975	79 125
RESERVOIRS	413 000	96 800	145 200	150 000	157 950	158 250
RESPAL OF ROADS	1 500 000	352 755	529 133	1 000 000	1 053 000	1 055 000
ROAD MARKS	0	0	0	100 000	105 300	105 500
ROBOTS	54 000	557	835	50 000	52 650	52 750
SEWER DRYBEDS	50 000	0	0	100 000	105 300	105 500
SEWER NETW/PUMP STATIONS: DE	118 069	36 068	54 102	500 000	526 500	527 500
SEWERAGE NETW/PUMP STATIONS	322 079	86 881	130 322	300 000	315 900	316 500

	BUDGET 2010/11	TO-DATE EXPENDITURE AT 28/02/2011	PROJECTED 2010/11	BUDGET 2011/12	BUDGET 2012/13	BUDGET 2013/14
<b>ANNEXURE 3</b>						
SEWERAGE WORKS/EQUIP	1 700 000	800 419	1 500 000	1 500 000	1 579 500	1 582 500
SIDEWALKS	37 956	33 039	49 559	50 000	52 650	52 750
SIDEWALKS/STORM WATER	135 197	0	0	150 000	157 950	158 250
SPORTS GROUNDS	50 000	0	0	50 000	52 650	52 750
SPORTS GROUNDS: DEPARTMENTAL	0	0	0	0	0	0
SPORTS GROUNDS: RURAL AREAS	50 000	-11 399	-17 098	50 000	52 650	52 750
STREET LIGHTS	35 000	0	0	0	0	0
STREET REFUSE BINS	50 000	0	0	0	0	0
SWEEPING OF STREETS	0	0	0	50 000	52 650	52 750
SWIMMING BATHS & EQUIPMENT	20 000	0	0	50 000	52 650	52 750
TARRED ROADS	0	0	0	500 000	526 500	527 500
TELEMETRY	500 000	0	0	0	0	0
TOOLS & EQUIP	50 000	1 017	1 525	0	0	0
TRAFFIC SIGNS	80 000	0	0	100 000	105 300	105 500
VEHICLES & EQUIP FLEET	515 000	486 177	729 266	800 000	842 400	844 000
WATER METERS	700 000	0	0	0	0	0
WATER MONITORING LABORATORY	0	0	0	500 000	0	0
WATER NETW/PUMP STATIONS:DEP	150 000	137 652	206 477	750 000	789 750	791 250
WATER NETWORK/PUMP STATIONS	2 106 560	1 374 365	2 061 547	2 500 000	2 632 500	2 637 500
WATER PURIFICATION WORK/EQUI	550 000	86 849	130 273	1 000 000	1 053 000	1 055 000
<b>SUB-TOTAL REPAIRS &amp; MAINTENA</b>	<b>22 439 401</b>	<b>5 170 313</b>	<b>8 054 840</b>	<b>15 543 000</b>	<b>15 492 789</b>	<b>15 522 215</b>
<b>INTEREST EXPENSE - EXTERNAL BORROWINGS</b>						
INTEREST: EXTERNAL LOANS	14 833 930	4 852 707	14 833 930	16 000 000	16 848 000	16 880 000
INTEREST: EXTERNAL LOAN: P/C	20 000 000	13 668 000	20 000 000	37 600 000	20 000 000	20 000 000
<b>SUB-TOTAL INT EXPENSE EXTERN</b>	<b>34 833 930</b>	<b>18 520 707</b>	<b>34 833 930</b>	<b>53 600 000</b>	<b>36 848 000</b>	<b>36 880 000</b>
<b>BULK PURCHASES</b>						
BULK PURCHASE: PURIFIED WATER - CITY OF TSHWANE	19 000 000	4 945 098	7 417 647	36 000 000	37 908 000	37 980 000
BULK PURCHASE: UNPURIFIED WATER WATER AFFAIRS RAW WATER	360 000	177 868	266 802	1 000 000	1 053 000	1 055 000
PURCHASE FROM ESKOM/TSWANE	180 794 221	161 688 874	242 533 311	291 962 000	307 435 986	308 019 910
<b>SUB-TOTAL BULK PURCHASES</b>	<b>200 154 221</b>	<b>166 811 840</b>	<b>250 217 760</b>	<b>328 962 000</b>	<b>346 396 986</b>	<b>347 054 910</b>
<b>CONTRACTED SERVICES</b>						
CONTRACTORS: BURIALS - NEEDY	180 000	105 601	158 401	160 000	168 480	168 800
CONTRACTORS: DISCONNECT SERVICE	190 000	48 116	72 174	0	0	0
CONTRACTORS: METER READINGS	1 403 714	806 518	1 209 776	2 640 000	2 779 920	2 785 200
CONTRACTORS: SECURITY PROJECTS	1 000 000	1 860 066	2 790 099	0	0	0
CONTRACTORS: SECURITY SERVICES	1 500 000	2 515 387	3 773 080	6 500 000	6 844 500	6 857 500
CONTRACTORS: SERVICE PROVIDERS - RURAL WATER TANKERING	5 586 000	4 969 326	7 453 989	4 800 000	5 054 400	5 064 000
CONTRACTORS: SERVICES RENDERED	14 667 180	12 632 268	18 948 403	<b>12 145 000</b>	12 788 685	12 812 975
CONTRACTORS: SERVICE RENDERE	0	1 805 418	2 708 127	0	0	0
CONTRACTORS:COMMISSION FEES	2 500 000	1 866 793	2 800 189	3 524 000	3 710 772	3 717 820
CONTRACTORS SERVICES: WATER HISTORICAL ACCOUNT	18 000 000	2 631 579	3 947 368	18 000 000	18 954 000	18 990 000
<b>SUB-TOTAL CONTRACTED SERVICE</b>	<b>45 026 894</b>	<b>29 241 071</b>	<b>43 861 606</b>	<b>47 769 000</b>	<b>50 300 757</b>	<b>50 396 295</b>
<b>GRANTS &amp; SUBSIDIES PAID</b>						
ASSISTANCE TO INDIGENTS	7 500 000	4 501 953	6 752 929	7 500 000	7 897 500	7 912 500
<b>SUB-TOTAL GRANTS &amp; SUBSIDIES</b>	<b>7 500 000</b>	<b>4 501 953</b>	<b>6 752 929</b>	<b>7 500 000</b>	<b>7 897 500</b>	<b>7 912 500</b>
<b>GENERAL EXPENSES - OTHER</b>						
MAYORAL JOB CREATION PROGRAM	0	0	0	100 000	105 300	105 500
"PLANTS	0	0	0	75 000	78 975	79 125
"TRANSPORT EXPENSE: FUEL	2 165 130	1 356 248	2 034 372	2 800 000	2 948 400	2 954 000
20% INCENTIVE SCHEME DISCOUN	0	64 942	97 413	100 000	105 300	105 500
ADVERTISEMENTS	278 208	252 535	378 802	600 000	631 800	633 000
AGRICULTURE PROJECTS	519 094	0	0	100 000	105 300	105 500
AMMUNITION	4 361	0	0	0	0	0
ANALYSIS OF SEWERAGE EFFLUEN	75 000	0	0	250 000	263 250	263 750
ANALYSIS OF WATER SAMPLES	75 000	0	0	0	0	0
ARTS AND CULTURE	0	0	0	300 000	315 900	316 500
ATTENDING OF MEETINGS & CONG	56 019	35 982	53 972	100 000	105 300	105 500
AUDIT COMMITTEE COSTS	95 000	123 469	185 204	182 000	191 646	192 010
AUDIT FEES	1 272 858	279 988	419 981	2 500 000	2 632 500	2 637 500
B.P.D.M. FINANCIAL MANAGEMEN	0	180 000	270 000	0	0	0
BANK CHARGES	581 574	325 546	488 319	550 000	579 150	580 250
CHEMICALS: ANALYTICAL PURPOSE	125 000	14 768	22 152	175 000	184 275	184 625
CHEMICALS: INDUSTRIAL PURPOSE	3 578 001	5	8	4 000 000	4 212 000	4 220 000
CLEANING ERVEN: COUNCIL ERVE	25 000	-42 871	-64 306	75 000	78 975	79 125
CLEANING ERVEN: PRIVATE ERVE	0	-5 985	-8 978	75 000	78 975	79 125
CLEANSING CONSUMABLES	432 507	152 396	228 593	250 000	263 250	263 750
CLINIC REQUIREMENTS	24 000	21 659	32 489	300 000	315 900	316 500
COLLECTION FEES	0	0	0	5 000 000	5 265 000	5 275 000
COMMUNITY PARTICIPATION	633 050	216 580	324 870	350 000	368 550	369 250
COMPENSATION INSURANCE	151 224	0	0	1 742 000	1 834 326	1 837 810
COMPUTER CONSUMABLES	24 140	10 820	16 230	100 000	105 300	105 500
CONTROL OF RODENTS & INSECTS	54 360	-2 341	-3 512	10 000	10 530	10 550
COST OF TRAINING: COUNCILLOR	0	0	0	500 000	526 500	527 500
COST OF TRAINING: PERSONNEL	0	1 763 208	2 644 812	2 000 000	2 106 000	2 110 000
COUNCIL CIVIC FUNCTIONS	40 000	9 507	14 261	200 000	210 600	211 000
DECORATION MATERIALS	0	0	0	0	0	0
DISASTER MANAGEMENT GRANT	0	0	0	1 200 000	0	0
DISASTER RELIEF PROGRAMME	103 000	-9 359	-14 039	0	0	0
ELECTION EXPENSE	70 000	21 500	32 250	0	0	0
ENTERTAINMENT MM/OTHERS	0	500	750	0	0	0

	BUDGET 2010/11	TO-DATE EXPENDITURE AT 28/02/2011	PROJECTED 2010/11	BUDGET 2011/12	BUDGET 2012/13	BUDGET 2013/14
<b>ANNEXURE 3</b>						
ENTERTAINMENT MMC BTO	0	500	750	0	0	0
ENTERTAINMENT SPEAKER	0	752	1 129	0	0	0
ESTABL LBSC & YOUTH ENTREPREN	10 000	0	0	100 000	105 300	105 500
FILLING OF CYLINDERS GAS	5 673	0	0	0	0	0
FINAL NOTICE DELIVERIES	190 000	74 796	112 193	5 000	5 265	5 275
FIRE EXTINGUISH AGENT: POWDE	10 903	7 850	11 775	0	0	0
FIRE FIGHTING EQUIP	32 000	0	0	50 000	52 650	52 750
FIRST AID EQUIP	38 349	2 630	3 945	50 000	52 650	52 750
FOAM FOR EXTINGUISH OF FIRES	61 000	29 052	43 578	50 000	52 650	52 750
FORMALISATION OF TOWNSHIPS	120 000	0	0	150 000	157 950	158 250
FUEL & OIL FOR SUNDRY PURPOS	26 002	0	0	0	0	0
GEOGRAPHIC INFORMATION SYSTEM	0	0	0	100 000	0	0
GRANT: MFG	1 000 000	339 659	509 489	1 000 000	1 053 000	1 055 000
GRANTS: MUNICIPAL SYSTEM	750 000	411 679	617 518	790 000	831 870	833 450
GRAVE NUMBER PLATES	20 000	0	0	0	0	0
HAZMAT EQUIPMENT	0	0	0	150 000	157 950	158 250
HIV/AIDS AWARENESS	27 807	0	0	50 000	52 650	52 750
INFIRMED RELIEF PROGRAMME	62 682	0	0	100 000	105 300	105 500
INFORMAL SETTLEMENTS	284 237	75 591	113 386	150 000	157 950	158 250
INSTITUTE & OTHER SUBSCRIPTI	51 797	1 540 050	2 310 075	160 000	168 480	168 800
INSURANCE: EXCESS PAYMENTS	16 744	0	0	400 000	421 200	422 000
INSURANCE: GENERAL	2 115 000	16 098	24 148	4 118 000	4 336 254	4 344 490
INTEREST ON BANK OVERDRAFT	0	8 103	12 155	0	0	0
INTEREST PAID ON PENALTIES	145 000	0	0	150 000	157 950	158 250
LAND-USE MANAGEMENT SYSTEM	45 000	1 346	2 019	75 000	78 975	79 125
LEASING: COMPUTER	1 000 000	4 414 912	6 622 368	6 000 000	6 318 000	6 330 000
LEASING: MACHINERY & EQUIP	1 431 000	1 330 196	1 995 293	1 150 000	1 210 950	1 213 250
LEGAL & PROFESSIONAL EXPENSE	3 950 000	7 143 522	10 715 283	8 000 000	8 424 000	8 440 000
LETSEMA	52 000	0	0	100 000	105 300	105 500
LITERATURE & PUBLICATIONS	3 000	0	0	150 000	157 950	158 250
LOCAL ECONOMIC DEVELOPMENT	0	0	0	100 000	105 300	105 500
MAGAZINES & NEWSPAPERS	20 000	10 782	16 174	75 000	78 975	79 125
MANAGEMENT INFORMATION SYSTE	100 604	0	0	0	0	0
MARKETING	4 767	0	0	100 000	105 300	105 500
MAYORAL DISCRETIONAL FUND	143 395	93 395	140 092	0	0	0
MAYORAL OUT-REACH PROGRAMMES	14 269	14 269	21 404	0	0	0
MEDICAL AID FUND: CONTINUED	1 979 028	850 858	1 276 287	1 000 000	1 053 000	1 055 000
MEDICAL EXAMINATIONS	5 000	1 254	1 881	100 000	105 300	105 500
MPCC COSTS	75 000	45 481	68 221	75 000	78 975	79 125
MUNICIPAL RECREATION CLUB	0	0	0	75 000	0	0
MUSIC RIGHTS LICENSE	26 800	0	0	0	0	0
NEWSLETTERS & PUBLICATIONS	0	0	0	0	0	0
NOTICE BOARDS	0	0	0	0	0	0
OHS RISK ASSESSMENT	0	0	0	315 000	331 695	332 325
PERFORMANCE MANAGEMENT SYSTE	51 000	20 877	31 316	50 000	52 650	52 750
PLANNING: L.D.O/I.D.P	115 000	7 554	11 330	0	0	0
POSTAGE	153 000	53 567	80 351	219 000	230 607	231 045
POVERTY RELIEF PROGRAMME	100 000	0	0	100 000	105 300	105 500
PRINT PAPER FOR BUILDING PLANS	0	0	0	0	0	0
PRINTING & STATIONERY	795 529	324 016	486 024	1 000 000	1 053 000	1 055 000
PRINTING: ANNUAL REPORT	120 000	0	0	0	0	0
PROFESSIONAL DRIVING PERMITS	5 277	0	0	22 000	23 166	23 210
PROFESSIONAL EXPENSES	481 558	18 423	27 634	550 000	579 150	580 250
PROTECTIVE CLOTHING: PURCHASE	369 000	266 705	400 057	750 000	789 750	791 250
PROVISION OF FOOD	0	-7 444	-11 165	0	0	0
PURCHASE OF BOOKS	0	0	0	50 000	52 650	52 750
RATES-NEWLY RATABLE PHASING	0	3 489 534	5 234 301	4 000 000	4 212 000	4 220 000
RATES-PENSIONERS REBATE	0	2 906 697	4 360 045	4 500 000	4 738 500	4 747 500
RATES-PRIVATE TOWNSHIP REBAT	0	8 656 955	12 985 433	7 000 000	7 371 000	7 385 000
RATES-RATES SHOCK PHASING IN	0	1 085 845	1 628 768	900 000	947 700	949 500
REBATES-NORMAL REBATE FOR RE	0	13 772 826	20 659 239	12 000 000	12 636 000	12 660 000
RECREATION PROGRAMMES	7 996	0	0	50 000	52 650	52 750
RECREATIONAL FACILITY – LIBRARIES	0	0	0	19 000	20 007	20 045
REFRESHMENTS	0	19 223	28 835	75 000	78 975	79 125
REFRESHMENTS:COUNCIL MEETING	30 000	26 671	40 007	100 000	105 300	105 500
REFUND ON DEPOSIT-OUTDOOR_AD	0	0	0	12 000	12 636	12 660
REFUSE BAGS (PLASTIC): PURCH	318 038	64 510	96 765	150 000	157 950	158 250
RENTAL & CALLS: CELLULAR PHO	1 368 251	743 580	1 115 370	1 000 000	1 053 000	1 055 000
RENTAL & CALLS: INTERNET	265 000	300 975	451 462	500 000	526 500	527 500
RENTAL: MACHINERY & EQUIP	560 000	759 813	1 139 720	0	0	0
RENTAL: OFFICE MACHINES & EQ	933 000	1 301 660	1 952 490	2 887 000	3 040 011	3 045 785
RESCUE EQUIPMENT/WATER/MOUNTAIN/TRENCH	0	0	0	150 000	157 950	158 250
SCHOLAR PATROLS	110 000	0	0	0	0	0
SINGLE WHIP PROGRAMMES	50 000	0	0	0	0	0
SOCIAL CRIME PREVENTION	0	0	0	0	0	0
SOCIAL DEVELOPMENT PROGRAM	65 000	29 025	43 538	75 000	78 975	79 125
SOFTWARE/LICENSE FEES	1 364 273	21 000	31 500	0	0	0
SPORT DEVELOPMENT	35 000	134 400	201 600	100 000	105 300	105 500
STATEMENT: PRINTING & POST	1 637 596	973 279	1 459 919	1 555 000	1 637 415	1 640 525
STOCK-WRITE OFF	0	-181 451	-272 177	0	0	0
SUBSISTENCE & TRAVEL: COUNCI	450 000	146 850	220 275	500 000	526 500	527 500
SUBSISTENCE & TRAVEL: PERSON	595 998	412 183	618 274	700 000	737 100	738 500
SUNDRY EXPENSES	104 000	87 844	131 767	0	0	0
SUPPORT DEVELOPMENT INITIATIVES	0	0	0	0	0	0
TELEPHONE RENTAL & CALLS	1 634 016	1 152 014	1 728 021	2 000 000	2 106 000	2 110 000



<b>ANNEXURE 3</b>	<b>BUDGET 2010/11</b>	<b>TO-DATE EXPENDITURE AT 28/02/2011</b>	<b>PROJECTED 2010/11</b>	<b>BUDGET 2011/12</b>	<b>BUDGET 2012/13</b>	<b>BUDGET 2013/14</b>
TENTS	50 000	0	0	0	0	0
TRAINING LEVY	1 648 000	808 396	1 212 594	0	0	0
TRAINING: SMME & CAPACITY BU	0	0	0	64 000	67 392	67 520
TRANSFER DEED RETURNS	85 000	26 014	39 021	0	0	0
UNIFORMS & CLOTHING	176 400	12 447	18 671	200 000	210 600	211 000
VALUATION ROLL & GENERAL VAL	409 528	1 198 970	1 798 456	0	0	0
VEHICLE & EQUIPMENT:FLEET	0	18 947	28 421	75 000	78 975	79 125
VEHICLE LICENSES	773 918	180 147	270 220	282 000	296 946	297 510
WARD COMMITTEES	350 000	54 376	81 564	1 000 000	1 053 000	1 055 000
WATER HYACINTH: CONTROL	0	0	0	0	0	0
WATER OPERATIONS SUBSIDY-RURAL	1 000 000	0	0	1 000 000	1 053 000	1 055 000
WATER RESEARCH: LEVY	0	0	0	0	0	0
WORKING EXPENSES: ALARM SYSTEM	73 304	91 822	137 733	0	0	0
YOUTH PROGRAMS	553 830	353 830	530 745	160 000	168 480	168 800
<b>SUB-TOTAL GENERAL EXPENSES OTHER</b>	<b>41 038 095</b>	<b>60 513 953</b>	<b>90 770 929</b>	<b>92 317 000</b>	<b>95 761 926</b>	<b>95 943 810</b>
<b>INTERNAL CONSUMPTION</b>						
ELECTRICITY: DEPT CONSUMPTION	0	5 324 390	7 986 585	0	0	0
REFUSE REMOVAL: DEPT	0	160 578	240 867	0	0	0
SEWERAGE: INTERNAL CHARGES	0	8 045	12 067	0	0	0
WATER DEPARTMENTAL CONSUMPTION	0	332 082	498 124	0	0	0
<b>SUB-TOTAL INTERNAL CONSUMPTION</b>	<b>0</b>	<b>5 825 095</b>	<b>8 737 643</b>	<b>0</b>	<b>0</b>	<b>0</b>
<b>CONTRIBUTIONS TO PROVISIONS</b>						
CONTRIBUTIONS TO LEAVE PROVISION	750 000	0	750 000	750 000	789 750	791 250
<b>SUB-TOTAL CONTR TO PROVISION</b>	<b>750 000</b>	<b>0</b>	<b>750 000</b>	<b>750 000</b>	<b>789 750</b>	<b>791 250</b>
<b>TOTAL DIRECT OPERATING EXPENDITURE</b>	<b>707 135 932</b>	<b>433 598 248</b>	<b>816 711 686</b>	<b>949 714 000</b>	<b>979 214 177</b>	<b>981 753 995</b>
<b>OPERATING REVENUE</b>						
<b>PROPERTY RATES</b>						
FINANCE: ASSESS/ RATES HBP	-73 251 201	-17 264 665	-25 896 998	-28 500 000	-30 010 500	-30 067 500
FINANCE: ASSESS/RATES BRITSLETHMOOINOOUKASIE MOTHUT	-38 127 891	-85 504 743	-128 257 115	-141 900 000	-149 420 700	-149 704 500
FINANCE: ASSESS/RATES R.S.A.	-6 029 016	-7 225 546	-10 838 319	-12 000 000	-12 636 000	-12 660 000
<b>SUB-TOTAL PROPERTY RATES</b>	<b>-117 408 108</b>	<b>-109 994 955</b>	<b>-164 992 432</b>	<b>-182 400 000</b>	<b>-192 067 200</b>	<b>-192 432 000</b>
<b>SERVICE CHARGES</b>						
ELEC: SALES CONSUMERS	-146 049 107	-96 317 649	-144 476 474	-180 000 000	-189 540 000	-189 900 000
ELEC: SALES CONSUMERS H.B.P.	-25 688 425	-34 271 395	-51 407 092	-65 000 000	-68 445 000	-68 575 000
ELEC: SALES PREPAID METERS	0	-28 992 077	-43 488 116	-55 000 000	-57 915 000	-58 025 000
S/WASTE: HOUSEHOLDS	-15 420 710	-11 903 120	-17 854 681	-19 000 000	-20 007 000	-20 045 000
SEWER: SERVICES TO THE PUBLI	-17 908 625	-13 839 402	-20 759 104	-47 000 000	-49 491 000	-49 585 000
WATER: SALES BRITS	-19 557 897	-19 192 029	-28 788 044	-92 000 000	-96 876 000	-97 060 000
WATER: SALES DIKHOLOLO	-85 814	-518 717	-778 076	0	0	0
WATER: SALES HARTBEESPOORT	-10 286 097	-4 968 499	-7 452 748	0	0	0
WATER: SALES HOEKFONTEIN	-55 520	-2 219 520	-3 329 280	0	0	0
WATER: SALES LETLHABILE	-6 163	0	0	0	0	0
WATER: SALES SONOP	-892 239	-520 519	-780 778	0	0	0
WATER: SALES TO ODI WATER	-304 553	0	0	0	0	0
<b>SUB-TOTAL SERVICE CHARGES</b>	<b>-236 255 150</b>	<b>-212 742 928</b>	<b>-319 114 392</b>	<b>-458 000 000</b>	<b>-482 274 000</b>	<b>-483 190 000</b>
<b>RENT OF FACILITIES AND EQUIPMENT</b>						
BUILDINGS: LEASE TRAININGHAL	0	-2 033	-3 050	-3 000	-3 159	-3 165
BUILDINGS: LEASING OTHER HAL	0	-229 748	-344 622	-350 000	-368 550	-369 250
BUILDINGS: LEASING PARKING	0	-28 934	-43 401	-50 000	-52 650	-52 750
BUILDINGS: LEASING TOWN HALL	0	-29 744	-44 616	-45 000	-47 385	-47 475
ESTATES: HOUSE-RENT	0	-271 597	-407 396	-410 000	-431 730	-432 550
L.E.D: RENTAL HAWKERS STALLS	0	-28 823	-43 234	-45 000	-47 385	-47 475
<b>SUB-TOTAL RENT FACILITIES &amp;</b>	<b>0</b>	<b>-590 879</b>	<b>-886 319</b>	<b>-903 000</b>	<b>-950 859</b>	<b>-952 665</b>
<b>INTEREST EARNED - EXTERNAL INVESTMENTS</b>						
FINANCE: INTEREST BANK ACCOU	0	-117 118	-175 677	-175 000	-184 275	-184 625
INTEREST : EXTERNAL INVESTME	0	-4 839 181	-7 258 772	-7 500 000	-7 897 500	-7 912 500
<b>SUB-TOTAL INT EARNED EXT INV</b>	<b>0</b>	<b>-4 956 299</b>	<b>-7 434 449</b>	<b>-7 675 000</b>	<b>-8 081 775</b>	<b>-8 097 125</b>
<b>INTEREST EARNED - OUTSTANDING DEBTORS</b>						
FINANCE: INTEREST CONSUMERS	-5 920 296	-20 284 529	-30 426 794	-20 000 000	-21 060 000	-21 100 000
<b>SUB-TOTAL INT EARNED OUT DEB</b>	<b>-5 920 296</b>	<b>-20 284 529</b>	<b>-30 426 794</b>	<b>-20 000 000</b>	<b>-21 060 000</b>	<b>-21 100 000</b>
<b>DIVIDENDS RECEIVED</b>						
DIVIDENDS RECEIVED	0	-7 006	-10 510	-10 000	-10 530	-10 550
<b>SUB -TOTAL: DIVIDENDS RECEIV</b>	<b>0</b>	<b>-7 006</b>	<b>-10 510</b>	<b>-10 000</b>	<b>-10 530</b>	<b>-10 550</b>
<b>FINES</b>						
LIBRARY: FINES	0	-4 943	-7 415	-8 000	-8 424	-8 440
TRAFFIC: TRAFFIC FINES	0	-244 604	-366 906	-750 000	-789 750	-791 250
<b>SUB-TOTAL FINES</b>	<b>0</b>	<b>-249 548</b>	<b>-374 322</b>	<b>-758 000</b>	<b>-798 174</b>	<b>-799 690</b>
<b>LICENSES &amp; PERMITS</b>						
LICENSES: DOG LICENCES	0	-312	-468	-500	-527	-528
LICENSES: DRIVERS LICENSES	0	-1 623 216	-2 434 823	-2 500 000	-2 632 500	-2 637 500
TRADE LICENSE: APPLICATION F	0	-3 226	-4 840	-5 000	-5 265	-5 275
<b>SUB-TOTAL LICENSES &amp; PERMITS</b>	<b>0</b>	<b>-1 626 754</b>	<b>-2 440 131</b>	<b>-2 505 500</b>	<b>-2 638 292</b>	<b>-2 643 303</b>

	BUDGET 2010/11	TO-DATE EXPENDITURE AT 28/02/2011	PROJECTED 2010/11	BUDGET 2011/12	BUDGET 2012/13	BUDGET 2013/14
<b>ANNEXURE 3</b>						
<b>INCOME FOR AGENCY SERVICES</b>						
MOTORLICENSE: NWPA COMMISSIO	0	-5 524 547	-8 286 821	-8 000 000	-8 424 000	-8 440 000
<b>SUB-TOTAL INCOME FOR AGENCY</b>	<b>0</b>	<b>-5 524 547</b>	<b>-8 286 821</b>	<b>-8 000 000</b>	<b>-8 424 000</b>	<b>-8 440 000</b>
<b>GRANTS &amp; SUBSIDIES RECEIVED - OPERATING</b>						
DISASTER MANAGEMENT	0	0	0	-1 200 000	0	0
FINANCE: EQUITABLE SHARE	-217 230 000	-162 922 497	-217 230 000	-247 000 000	-273 870 000	-291 812 000
FINANCE: MANAGEMENT GRANT	-1 000 000	-1 000 000	-1 000 000	-1 500 000	-1 500 000	-1 500 000
FINANCE: SYSTEM IMPROVE	-750 000	-750 000	-7 500 000	-790 000	-1 000 000	-900 000
FIRE SERVICES	0	0	0	-300 000	0	0
HR: SETA	-848 000	0	0	-1 000 000	0	0
LIBRARY NWPG C/BUILDING GRAN	-500 000	0	0	0	0	0
PMU: MANAGEMENT GRANT MIG	-3 500 000	0	0	-3 500 000	0	0
WATER: DORA GRANTS	-5 586 000	-2 793 000	-5 586 000	-3 910 000	0	-15 000 000
<b>SUB-TOTAL GRANTS &amp; SUBS OPER</b>	<b>-229 414 000</b>	<b>-167 465 497</b>	<b>-231 316 000</b>	<b>-259 200 000</b>	<b>-276 370 000</b>	<b>-309 212 000</b>
<b>OTHER REVENUE</b>						
ACCESS CARD:LOST CARD	0	-1 150	-1 725	-1 500	-1 580	-1 583
B/CONTROL: BUILDING PLANS	0	-425 510	-638 266	-700 000	-737 100	-738 500
CEMETERY FEES	0	-512 821	-769 231	-850 000	-895 050	-896 750
CEMETERY: ERECT MEMORIALS	0	-30 409	-45 613	-75 000	-78 975	-79 125
ELEC: CONNECTION FEES	0	-323 172	-484 758	-500 000	-526 500	-527 500
ELEC: RECONNECTION FEES	0	-81 062	-121 592	-130 000	-136 890	-137 150
ELEC: SALES DEPT TRADING	0	-4 748 909	-7 123 363	0	0	0
FINANCE: BANK COST R/D CHEQU	0	-28 624	-42 936	-40 000	-42 120	-42 200
FINANCE: CLEARANCE CERTIFICA	0	-20 055	-30 083	-30 000	-31 590	-31 650
FINANCE: FINAL NOTICE FEES	0	-82 891	-124 336	-120 000	-126 360	-126 600
FINANCE: INSURANCE COMMISSIO	0	-74 502	-111 753	-100 000	-105 300	-105 500
FINANCE: SURPLUS CASH	0	-23 651	-35 476	-30 000	-31 590	-31 650
FINANCE: TELEPHONE REFUND	0	-3 086	-4 629	-5 000	-5 265	-5 275
FINANCE: TENDER FEES	0	-149 540	-224 310	-224 000	-235 872	-236 320
FINANCE: VALUATION CERTIFICA	0	-8 185	-12 277	-15 000	-15 795	-15 825
FINANCE: VALUATION FEES	0	-32 711	-49 066	-50 000	-52 650	-52 750
I/TECH: PLOTTING PUBLIC	0	-450	-675	-1 000	-1 053	-1 055
L.E.D: STREET TRADER FEES	0	-14 720	-22 080	-22 000	-23 166	-23 210
LIBRARY: BOOKS LOST	0	-608	-912	-1 000	-1 053	-1 055
LIBRARY: LOST MEMBERSHIP CAR	0	-456	-684	-1 000	-1 053	-1 055
LIBRARY: MEMBERSHIP FEES	0	-15 894	-23 841	-25 000	-26 325	-26 375
LIBRARY: PHOTO COPIES	0	-4 058	-6 087	-6 000	-6 318	-6 330
LICENSES: ADVERTISING HOARDI	0	-181 063	-271 595	-300 000	-315 900	-316 500
PARKS: DECORATIONS	0	-5 390	-8 085	-8 000	-8 424	-8 440
PARKS: SALE PLANTS	0	-4 902	-7 353	-7 000	-7 371	-7 385
REGIONAL DUMPING SITE: FEES	0	-19 887	-29 831	-30 000	-31 590	-31 650
RESORTS: ENTRANCE FEE RESIDE	0	-3 960	-5 940	-6 000	-6 318	-6 330
S/WASTE: BULK - DUMPING FEES	0	-1 900 456	-2 850 684	-3 000 000	-3 159 000	-3 165 000
S/WASTE: BULK SERVICE PUBLIC	0	-2 509 044	-3 763 566	-3 000 000	-3 159 000	-3 165 000
SALE OF LAND	0	-14 950	-22 425	-30 000	-31 590	-31 650
SEWER: LEVIES DEPT. GENERAL	0	-10 378	-15 566	-15 000	-15 795	-15 825
SEWER: LEVIES DEPT. TRADING	0	-370	-556	-1 000	-1 053	-1 055
SPORTS: SPORTS CLUBS FEES	0	-1 260	-1 890	-2 000	-2 106	-2 110
T/PLANNING: CONSENT USE FEES	0	-5 268	-7 902	-8 000	-8 424	-8 440
T/PLANNING: REZONING OF ERVE	0	-32 109	-48 163	-50 000	-52 650	-52 750
T/PLANNING: SUBDIVISION ERVE	0	-23 859	-35 788	-35 000	-36 855	-36 925
T/PLANNING: SUNDRY INCOME	0	-3 104	-4 656	-5 000	-5 265	-5 275
T/PLANNING: TOWN ESTABLISHME	0	-42 140	-63 211	-65 000	-68 445	-68 575
T/PLANNING:CONSOLIDATION ERV	0	-111 762	-167 643	-170 000	-179 010	-179 350
T/PLANNING:RELAX BUILDING LI	0	-3 111	-4 667	-5 000	-5 265	-5 275
TRAFFIC: ACCIDENT REPORTS	0	-4 316	-6 474	-6 000	-6 318	-6 330
TRAFFIC: SUNDRY INCOME	0	-30	-45	-1 000	-1 053	-1 055
WATER: RECONNECTION FEES	0	-127 803	-191 704	-200 000	-210 600	-211 000
WATER: RECONNECTION FEES	0	-327 715	-491 572	-450 000	-473 850	-474 750
WATER: SALES DEPT TRADING	-232 848	-430 434		0	0	0
WATER: TEST METERS ETC.	0	-350	-525	-1 000	-1 053	-1 055
<b>SUB-TOTAL OTHER REVENUE</b>	<b>-232 848</b>	<b>-12 346 123</b>	<b>-17 873 533</b>	<b>-10 321 500</b>	<b>-10 868 540</b>	<b>-10 889 183</b>
<b>TOTAL OPERATING REVENUE GENE</b>	<b>-589 230 402</b>	<b>-535 789 066</b>	<b>-783 155 702</b>	<b>-949 773 000</b>	<b>-1 003 543 369</b>	<b>-1 037 766 515</b>
<b>STATEMENT OF FINANCIAL PERFORMANCE</b>						
<b>OPERATING SURPLUS / DEFICIT</b>						
TOTAL EXPENDITURE	707 135 932	433 598 248	816 711 686	949 714 000	979 214 177	981 753 995
TOTAL OPERATING REVENUE	-589 230 402	-535 789 066	-783 155 702	-949 773 000	-1 003 543 369	-1 037 766 515
<b>TOTAL OPERATING (SURPLUS)/DEFICIT</b>	<b>117 905 530</b>	<b>-102 190 818</b>	<b>33 555 984</b>	<b>-59 000</b>	<b>-24 329 192</b>	<b>-56 012 520</b>











## 5. Supporting Documentation

### 5.1. Budget Public Hearing Overview

The document containing details of the budget hearings proceedings is “**Annexure B**” of the report

### 5.2. Detailed Municipal Capital Plan

The document containing details of the municipal funded capital plan is “**Annexure C**” of the report

### 5.3. Stakeholder Capital Plan

The document containing details of the stakeholders’ capital plan is “**Annexure C**” of the report.

### 5.4. Alignment of Budget with Integrated Development Plan

The content of IDP including strategic priorities and key service delivery initiatives were in turn fully used in the budget preparations and it could be confirmed that the budget and IDP alignment is about 100%.

#### Linkage of IDP with Budget & Turn Around

Linkage to Turn Around Strategy	Mun. Wide Priority no	Project Description	No of Projects	% of Budget	Budget 2010/11 (R)	No of Projects	% of Budget	Budget 2011/12 (R)	No of Projects	% of Budget	Budget 2012/13 (R)
Service Delivery Cluster	1	Water	14	33.07	105,200,000	7	43.71	120,000,000	10	49.65	146,178,654
		Sanitation	5	18.87	60,028,622	4	3.096	8,500,000	2	3.40	10,000,000
	2	Roads & Stormwater	17	22.71	74,559,000	10	27.33	77,540,000	3	10.19	30,000,000
	3	Electricity	3	1.89	6,000,000	2	6.23	17,100,000	1	0.54	1,600,000
	4	Refuse Removal	1	2.36	7,500,000	3	4.15	11,400,000	4	11.55	34,000,000
		Cemeteries	5	8.89	10,650,000	1	5.54	5,000,000	1	15.51	5,500,000
		Libraries							2		6,657,346
		Community Facilitation	11		1,550,000	6		1,000,000	11		11,700,000
LED Cluster	5	Land & Housing	13		217,618,500	19		362,269,950	7		127,381,200
	6	Local Economic Dev.	1	5.77	16,100,000	2	0.84	9,200,000	2	2.38	17,800,000



**MINUTES OF THE IDP REPRESENTATIVE FORUM MEETING HELD IN THE  
MAYOR'S PARLOUR ON WEDNESDAY, 20 APRIL 2011 AT 10H30**

**1. OPENING AND WELCOME**

The executive Mayor, Councilor SF Molokoane – Machika welcomed all. She explained that today's meeting will be discussing the Draft IDP Review for 2011/12 and the 2011/12 IDP budget.

**2. APOLOGIES**

None

**3. MATTERS FOR DISCUSSION**

**3.1. PRESENTATION ON 2011/12 DRAFT IDP REVIEW**

Mr Moruti Tsotetsi gave a presentation, documents of which were distributed to the delegates. He highlighted the following:

- The IDP process plan was adopted in September 2010
- Public consultation process followed immediately there after
- Municipal wide needs were prioritized in December 2010
- The current council will approve the budget and the IDP and the new council will implement .
- The status quo with regard to the projects ( this report was not distributed to the delegates)
- Comments of the MEC (copies not handed to the delegates)

**3.2. PRESENTATION ON THE 2011/2012 BUDGET**

Mr James Motaung gave a presentation on the 2011/2012 budget ( Few copies were distributed) covering the following:

- Budget allocation
- Operational budget (R 962.2m)
- Expenditure covering officials ( R212m), councilors ( R18.7m) and general expenses ( R95.4m)
- Amendment of policies

**3.2.1. INDIGENT POLICY**

The Indigent policy will cover consumers whose household income is below R2 300 00.

Mr Patrick Matsemela seconded by Mr Hadebe moved for adoption of the proposed adjustment.

**3.2.2. CREDIT CONTROL POLICY**

The consumers with outstanding debt will have to pay the percentage proposed below prior to making arrangements to settle their debts :

- Business consumer will have to settle 75% of the debt
- Consumers earning more than R6000 00 will have to settle 50% of the debt
- Consumers earning up to R6000 00 will have to settle 25% of the debt

Mr Pilane seconded by Mr Temba Moyo moved for adoption of the proposed percentages

**3.2.3. TARIFFS**

The following tariffs for basic services and other services for 2011/2012 financial year are proposed:

<b>SERVICES</b>	<b>2010/2011</b>	<b>2011/2012</b>
Property rates	6%	6.08%
Water	14.1%	14.1%
Electricity	15.33%	20.38%
Sewer/Sanitation	6%	6.08%
Refuse removal	6%	6.08%
Other Services	6%	6.08%

Mr Ranta seconded by Mr Matsemela moved for adoption of the proposed tariffs for the 2011/2012 financial year.

### 3.3. COMMENTS AND QUESTIONS

1. The budget does not say anything regarding the stipend for Ward Committees.
2. There are omissions, exclusions and mistakes in the IDP document:
  - Oukasie Elandsrand road
  - Oukasie waste transfer station
  - Land acquisition in Majakaneng
  - Electrification of 540 houses in Majakaneng
  - Water crisis in Majakaneng
  - Roads and storm water in Ward 11
  - Taxi ranks in Letlhabile and Brits
  - Roads Shakung (Page 12)
  - Water in Ward 2
3. Resealing of roads in Hartbeespoort (R511).
4. How do we ensure adherence to the IDP
5. Training of the IDP Representative Forum
6. Bapong 10 year plan. Has it been submitted, does'nt it clash with the IDP in Ward 32
7. (Mogomotsi Dikgang Ward 32) (Temba Moyo Ward 2) Is it possible that we can be given a chance to re prioritize/discuss the needs and later align with the IDP .
8. Linkage with Industrialists
9. (Councilor Pepler Ward 30) The municipality needs to look into the following in order to address administrative crisis:
  - Discipline
  - Accountability
  - Skills audit
  - Redeployment of staff
10. Lonmin committing support. Completed projects and land issues
11. What can we do to create employment collectively

12. Why don't we reprioritize need number 5(LED) to number 1 or 2
13. Why is the Memorandum Of Understanding ( MOU) between Madibeng and Bapong not signed
14. Segwaelane library project is in process but it is not in the IDP

### **3.4. RESPONSES**

1. The stipend for Ward Committees is catered for under council general expenses
2. Any omissions, exclusions and mistakes in the IDP to be directed to the IDP office for attention by the new council during the IDP review process and the budget adjustment process.
3. Noted and will be referred to the relevant department.
4. The new council will ensure adherence to the IDP and will follow all the necessary processes to be followed in terms of the Act.
5. The IDP office will look into the matter
6. The Bapong 10 year plan will be addressed by Bapo at home. It must also be noted that there are processes unfolding in Bapong.
7. This process of prioritizing the municipal wide needs was finalized during the IDP Representative Forum meeting held on 9 December 2010. The IDP will be reviewed by the wards later this year and then the municipal wide needs will be determined by the IDP Representative Forum towards the end of the year in December in terms of the Act.
8. The Forum of Industrialists chaired by the Executive Mayor meet from time to time and inter alia discuss social responsibilities.
9. Councilors and officials have a joint responsibility to administer. Councilors have an oversight role. If councilors have issues regarding officials, they must address that with the Municipal Manager.
10. The municipality acknowledges and appreciate the assistance from Lonmin. The municipality has written to Lonmin regarding the problem of influx into the area which impact on the bulk supply.

There is however a plan to expand the Brits plant and the department of Water Affairs is also engaged in the project.

11. See number 8 above.
12. See number 7 above.
13. The Memorandum Of Understanding is in the process of being drafted and it will be finalized in due course.
14. The matter will be investigated

#### **4. ADOPTION OF THE DRAFT IDP AND BUDGET**

Mr Dingiswayo seconded by Mr Letlhogonolo Rametsi moved for adoption of the draft IDP with amendments.

#### **5. CLOSURE**

The meeting was adjourned at 13h00.

TJT/tjt

29/04/2011

# ANNEXTURE C

CAPITAL PROJECTS	WARD BENEFITING	APPROVED BUDGET 2010/11	ADJUSTMENT 2010/11	BUDGET 2011/12	BUDGET 2012/13	BUDGET 2013/14	FUNDING SOURCE
WATER SUPPLY SCHEME	1	-		5 000 000	12 000 000	35 700 000	MIG
MABOLOKA ENVIRONMENT WATER SUPPLY	4,5,6	25 000 000	35 000 000	11 500 000	5 000 000		MIG
SUNWAY VILLAGE BULK WATER SUPPLY	30	.		6 000 000			MIG
BRITS/MABOLOKA BULK WATER PIPELINE					10 000 000	30 000 000	MIG
MAJAKANENG REFRESHMENT OF RESERVOIR				2 000 000			MIG
REFRESHMENT OF WATER PIPELINE - LETHLABILE & HARTIES				5 000 000			MIG
HEBRON, KGABALATSANE, ROCKVILLE WATER RETICULATION	10,15	21 500 000	11 350 000	22 500 000	49 000 000	35 900 000	MIG
WARD 15 WATER SUPPLY	15				3 000 000		MIG
KLIPGAT EXTENSIONS WATER SUPPLY	24	10 000 000	2 000 000	19 000 000	15 000 000	5 000 000	MIG
MOTHUTLUNG EXT 2 BULK WATER PIPELINE	20	2 400 000	2 400 000				MIG
SUNWAY VILLAGE BULK SEWERLINE				-	5 000 000	6 000 000	MIG
REFENTSE BULK SEWERLINE				4 000 000			MIG
BRITS SEWERAGE PLANT	9,11,12,13,21,22,23	900 000	5 531 847				MIG
PUMPSTATIONS	13,20,21,22,23			5 000 000			MIG
MOTHUTLUNG EXT 2 SEWER PUMP STATION	20	6 600 000	6 600 000				MIG
LETLHABILE BLOCK I SEWER PUMP STATION	9	4 500 000	4 500 000				MIG
LETLHAKANENG ROADS/BRIDGE	14		-	8 100 000	6 700 000		MIG
OUKASIE TO ELANDSRAND CONNECTION ROAD	21/22		-	5 000 000	5 000 000	5 000 000	MIG
FAFUNG, TO RASAI ROAD	1		-			20 000 000	MIG
OUKASIE STORM WATER	13,21,22	4 800 000	4 800 000	10 000 000	10 000 000	25 000 000	MIG
MOTHUTLUNG STORM WATER	20	2 500 000	2 500 000	2 000 000			MIG
KLIPGAT STORM WATER	8,24	9 000 000	9 000 000	2 000 000			MIG
OUKASIE EXT 5: ROAD AND STORM WATER	13		-	3 470 000			MIG
RANKOTEA ROAD	14			3 470 000			MIG
ITSOENG ROAD PHASE (3)	16	2 100 000	2 100 000				MIG
MAKGABETLWANE TO JERICHO ROAD	2	12 000 000	12 000 000	12 000 000	20 000 000	10 000 000	MIG
RESEALING: OUKASIE ROADS			-	1 540 000			MIG
RESEALING: DAMONSVILLE ROADS			-	770 000			MIG
RESEALING: MOTHUHLUNG ROADS			-	2 600 000			MIG
RESEALING: LETLHABILE ROADS			-	1 750 000			MIG
SHAKUNG ROAD	4	14 000 000	14 000 000	6 000 000			MIG
MOTHUTLUNG TAXI RANK	20	2 500 000	2 500 000				MIG
HARTBEESPOORT LANDFIL SITE (Phase 2)	30		-	12 000 000	6 000 000		MIG
NEW NORTHERN REGIONAL LANDFIL SITE/OSKRAAL	19	-	-	500 000	1 500 000	20 000 000	MIG
OUKASIE WASTE TRANSFER STATION	13,22		-	2 500 000			MIG
CONSTRUCTION OF WASTE TRANSFER STATION	19	-	-	-	3 000 000		MIG
CONSTRUCTION OF WASTE TRANSFER STATION	15	-	-	-	3 000 000		MIG
MAJAKANENG CEMETERY	7		-	2 500 000	800 000		MIG
JERICHO REGIONAL CEMETERY	2	1 600 000	1 600 000	-	-		MIG
DAMONSVILLE CEMETERY	13,22	750 000	750 000	-			MIG
SONOP CEMETERY UPGRADING	25		2 500 000		-		MIG
LETLHABILE CEMETRY		.	.		5 500 000	2 500 000	MIG
NEW OUKASIE CEMETRY				500 000	6 000 000		MIG
LETHABONG/MABOLOKA LIBRARY	4,5,6	3 300 000	3 300 000				MIG
HEBRON COMMUNITY LIBRARY	15		-		3 358 000		MIG
ITSOENG COMMUNITY HALL CONVERSION	16	1 200 000	1 200 000		-		MIG
COMMUNITY HALL ( WARD 1)	1	-	-	-	3 200 000	3 300 000	MIG
COMMUNITY HALL ( WARD 17)	17	-	-	-	1 500 000	4 500 000	MIG
COMMUNITY HALL ( WARD 25)	25	-	-	-	1 500 000	4 500 000	MIG
SHAKUNG MULTIPURPOSE CENTRE	4	-	-	3 700 000	2 000 000	-	MIG
WONDERKOP MULTI-PURPOSE CSNTRE	26	-	-	-	6 000 000		MIG

# ANNEXTURE C

CAPITAL PROJECTS	WARD BENEFITING	APPROVED	ADJUSTMENT	BUDGET	BUDGET	BUDGET	FUNDING
		BUDGET 2010/11	2010/11	2011/12	2012/13	2013/14	SOURCE
ELANDSRAND MULTI-PURPOSE CSNTRE		-	800 000				MIG
KGABALATSANE SPORTS FACILITY	10	-	-	-	1 500 000		MIG
DITHABANENG MULTI PURPOSE	27		4 200 000	-	-		MIG
JERICO MULTI-PURPOSE CENTRE	2	-	-	-	6 000 000		MIG
HEBRON INDOOR SPORTS CENTRE	15		-	-	1 000 000		MIG
KLIPGAT MULTI PURPOSE CENTRE	8		5 000 000	-	-	-	MIG
DAMMONSVILLE UPGRADING OF SPORTS FACILITY	21	-	-	-	4 000 000		MIG
LETLHABILE FIRE STATION	9,11,12	4 000 000	4 000 000				MIG
BRITS DRIVERS& LEARNERS TEST UPGR	ALL WARDS	1 200 000	1 200 000	-			MIG
WONDERKOP HAWKERS PAVILION(implementation by the mun)	26	2 500 000	2 500 000				MIG
MASHAO ROAD			2 000 000				MIG
OUKASIE EXT 5: ROAD AND STORM WATER			1 880 000				MIG
OUKASIE EXT 5: ROAD AND STORM WATER			1 770 000				MIG
OSKRAAL MULTI PURPOSE CENTRE			680 000				EPWP
MMAKGABELWANE SPORTS FACILITY			150 000				EPWP
JERICO SPORTS FACILITY			200 000				EPWP
INDUSTRIAL PARK			500 000				EPWP
MOTHUTLUNG SPORTSFIELD			100 000				EPWP
<b>SUB TOTAL</b>		<b>132 350 000</b>	<b>148 611 847</b>	<b>160 400 000</b>	<b>196 558 000</b>	<b>207 400 000</b>	
MEERHOF SUBSTATION	30	2 000 000	-				LAND PURCHASE
BRITS MUNICIPAL SUB-STATION	23	2 000 000	8 000 000				LAND PURCHASE
CHECK METERS		2 000 000	-				LAND PURCHASE
DE KROON SUBSTATION			15 000 000				UNFUNDED
HIGH MASS LIGHT ENEGERSING			4 000 000				UNFUNDED
MEERHOF SUBSTATION				4 200 000			UNFUNDED
LETLHABILE SUBSTATION				9 400 000			UNFUNDED
CABLE DETECTION APPARATUS				500 000			UNFUNDED
WATER METERS BULK INDUSTRIAL CAPEX ( 7000)				3 000 000			UNFUNDED
2 X DIGITAL SPEED CAMERAS			280 000				UNFUNDED
BIOMETRIC TIME AND ATTENDANCE SYSTEM			800 000				UNFUNDED
VEHICLES(TLB,ETC)			2 000 000				UNFUNDED
ROCKVILLE ELECTRIFICATION			267 000				UNFUNDED
SCM:SOFTWARE IMPLEMENTATION-INTENDER			980 000				UNFUNDED
JOJO TANKS			80 000				UNFUNDED
LETLHABILE ELECTRIFICATION			448 000				UNFUNDED
PLANT AND EQUIPMENT				30 000 000			UNFUNDED
VIP MOBILE TOILETS ( INFORMAL SETTLEMENT)		13,14,29,30,33		3 000 000			UNFUNDED
ZANADU BULK WATER PIPELINE	29,30	3 800 000	3 800 000				BPDM
BRITS PURIFICATION PLANT		20 000 000	20 000 000	49 000 000	52 900 000	60 000 000	RBIG
WARD 31 SPORTS FIELDS UPGRADING	31		-	1 500 000			LONMIN
BRITS PURIFICATION PLANT							
VIP TOILETS	8,25,27,29,30	3 000 000	3 000 000	4 000 000	9 000 000	8 250 000	RHID
JERICO VIP TOILETS	2	3 000 000	3 000 000	5 000 000	5 000 000	5 000 000	DBSA/DPLG
EPWP - PAVING OF ROADS	9,11,12,13,20,21,22	3 881 000	2 251 000	5 125 000			EPWP
MAJAKANENG BUS ROAD			847 858				BPDM
MADIBENG CAR WASH CENTRE			2 640 000				
ELECTRIFICATION OF 500 ERVEN: OUKASIE EXTENTION 5 PHASE II				3 650 000			INEP
ELECTRIFICATION OF 750 ERVEN: LETHLABILE EXTENTION I PHASE II				5 475 000			INEP
<b>SUB TOTAL</b>		<b>39 681 000</b>	<b>67 393 858</b>	<b>123 850 000</b>	<b>66 900 000</b>	<b>73 250 000</b>	
<b>TOTAL</b>		<b>172 031 000</b>	<b>216 005 705</b>	<b>284 250 000</b>	<b>263 458 000</b>	<b>280 650 000</b>	

### **5.5 Budget Related Policies Overview and Amendments**

The document containing details of the budget related policies to be adopted with the budget is “**Annexure D**” of the report.



**THE REVIEW OF POLICY ON SCHEDULE OF RATES AND TARIFFS  
INCLUDING ASSESSMENT RATES AND REFUSE CHARGES FOR THE  
LOCAL MUNICIPALITY OF MADIBENG**

Council Meeting: 31 May 2011

**REPORT OF THE BUDGET AND TREASURY OFFICE: REVENUE DIVISION**

**PURPOSE OF THE REPORT**

The purpose of the report is to present to Council, that the increase in the Rates and Revenue related tariffs for the 2011/12 Financial Year for the Local Municipality of Madibeng has been set as guided by section 2 and 3 of MFMA Circular No.55.

**BACKGROUND**

Rates and tariff methodology, provides a framework within which the municipality can implement fair, transparent and affordable charges for the provision of services.

**DISCUSSION**

It is important to note that an increase in tariffs decision is always based on the long-term economic development plan put together to ensure that municipality is able to deliver effectively, efficiently run and well-maintained services and facilities.

The municipality, however, is affected by all sorts of external factors like inflation, cost of bulk purchases, and government policy decisions to some extent, certain international factors as well as the employment and income demographics of its residents. Interest is charged on all outstanding amounts based on prime lending rate as determined by the commercial banking industry as at 1 July 2011

The reviewed policy on tariffs for assessment rates, refuse and other revenue related tariffs is hereby attached as **Annexure "H"**

**RECOMMENDED**

1. That cognisance be taken:

1.1. Of the report of revised draft of policy on Schedule of Rates and Tariffs for the Local Municipality of Madibeng

2. That the tariffs increase of as stipulated in the Schedule of Rates and Tariffs of the Local Municipality of Madibeng for the 2011/12 Financial Year, as guided by section 2 and 3 of MFMA Circular No.55. be approved.



**CHR BOSHOFF**

**ACT. CHIEF FINANCIAL OFFICER**

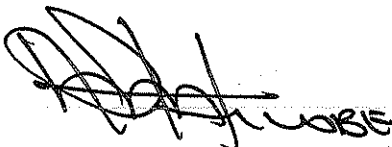
**MMC FOR BUDGET & TREASURY  
OFFICE**

**MEM/mem  
23/05/2011**

## **COMMENTS OF THE MUNICIPAL MANAGER**

### **RECOMMENDED**

1. That cognisance be taken of the report of revised draft of policy on Schedule of Rates and Tariffs for the Local Municipality of Madibeng.
2. That the tariffs increase as stipulated in the Schedule of Rates and Tariffs of the Local Municipality of Madibeng for the 2011/12 Financial Year, as guided by section 2 and 3 of MFMA Circular No.55, be approved.



**Act MUNICIPAL MANAGER**

/gh  
2011/05/25

**LOCAL MUNICIPALITY OF MADIBENG**



**SCHEDULE OF RATES AND TARIFFS  
2011/12 FINANCIAL YEAR**

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**Preamble**

The tariff-setting process for every financial year for the Local Municipality of Madibeng continues to be guided by rates and tariff policies and tariff methodology, which provides a framework within which the municipality can implement fair, transparent and affordable charges for the provision of services. Furthermore, the municipality fully considers when determining the tariffs levels for the financial year tariff escalation rate by establishing or calculating its own revenue requirement, capital costs and other factors mentioned in the policies.

It is also important to note that when the Local Municipality of Madibeng considers increasing tariffs such decision is always based on the long-term economic development plan put together to ensure that municipality is able to deliver effectively, efficiently run and well-maintained services and facilities. The municipality, however, is affected by all sorts of external factors like inflation, cost of bulk purchases, and government policy decisions to some extent, certain international factors as well as the employment and income demographics of its residents. Interest is charged on all outstanding amounts based on the prime lending rate as determined by the commercial banking industry as at 1 July of every year.

**ASSESSMENT RATES**

Category & Zoning	2010/2011		2011/2012	
	Rate	Rebate	Rate	Rebate
Industrial	0.01060	0%	0.011321	0%
Business	0.01060	0%	0.011321	0%
Mining	0.01060	0%	0.011321	
Undeveloped business, commercial, industrial, mines	0.01060	0%	0.011321	0%
Residential	0.00901	20%	0.009623	20%
Undeveloped residential	0.00901	0%	0.009623	0%
Farms/Agricultural Properties	0.00212	0%	0.002265	0%
Public benefit organization property	0.00212	0%	0.002265	0%
Government	0.01060	0%	0.011321	0%
Private Owned	0.00901	50%	0.009623	30%
Public Service Infrastructure (PSI)			0.002265	First 30% of the market value
New Agricultural Properties	0.00212	50%	0.002265	25%

In terms of Section 15 (1) (b) of the MPRA, the Council GRANTS deduction on the market value and rebates on the rates levied for 2011/2012 in respect of a specific category of owners of properties.

In terms of section 17 (h) of the MPRA, read with Council's Rates Policy, the impermissible value of the market value of a residential properties, including low cost houses (RDP), be applied on the first R35 000 of the market value of rateable property contained in the valuation roll or

supplementary valuation roll of the Municipality. Undeveloped stands are excluded.

Rate Ratios between Residential and Non-Residential Properties of 1:0.25  
Public benefit organization property, newly ratable properties (agricultural properties) and public service infrastructure (PSI) will be applicable. The first 30% of the market value of public service infrastructure property will not be rated.

Retired persons from the age of 60 and disabled persons, who are registered owners of residential properties and farm portions, are granted the following rebates:

- ◆ Owner with income less than R2 500 per month – 40%
- ◆ Owner with income between R2 501 and R3 500 per month – 20%
- ◆ Owner with income between R3 501 and R5 000 per month – 10%

Phasing in of rates shocks for agricultural, residential, business (commercial and industrial), mining properties and private developed townships – a rebate 25% in respect of the third year (2011/2012) will be applicable. The last financial year before the implementation of the new roll will be applied without any rebate. The rebate is not automatic; therefore rate payers need to apply.

Additional rebates on agricultural land:

- ◆ No municipal roads next to property – 10%
- ◆ No municipal sewerage to the property – 10%
- ◆ No municipal electricity supply to the property – 10%
- ◆ No municipal water supply to the property – 15%
- ◆ No refuse removal provided by the Municipality – 10%
- ◆ Contribution to job creation – 5%

Contribution to social and economic welfare to farm workers:

- ◆ Permanent residential property provided to the farm workers – 5%

- ◆ Residential property provided with potable water – 5%
- ◆ Residential property provided with electricity – 5%

## 2. WATER

The charges set out in this schedule will be levied in respect of each separate connection for water in different categories (cost per kl water) as defined in the Water Supply By-laws of the Local Municipality			
Consumer Type	Water Charge	Tariffs 2011/12	
All premises (except premise with bulk meters but without a non-negotiable agreement in place), including vacant stands, where a Local Municipality Water Supply is available, whether connected to the Local Municipality's water reticulation system or not and irrespective of whether water is used or not.	Water Basic Service Charge	R27.00	
Consumer Type	Consumption Level	Tariffs	
		2010/11	2011/12
All consumers (Own Bulk Water Supply)	0 – 6 kl – Charged and rebated at R3.84/kl (except businesses and industries)	R3.84/kl	4.61/kl
	6.1 – 12 kl	R5.54/kl	7.00/kl

	12.1 – 18 kl	R7.26/kl	9.00/kl
	18.1 – 24 kl	R7.48/kl	9.00/kl
	24.1 – 30 kl	R7.99/kl	10.00/kl
	30.1 – 36 kl	R8.71/kl	10.00/kl
	36.1 – 42 kl	R9.56/kl	11.00/kl
	42.1 – 100 kl	R11.11/kl	13.00/kl
	100.1 – 1000 kl	R7.03/kl	8.00/kl
	1000.1 and more	R8.11/kl	10.00/kl
Upright taps		R23.46 per month per household	R28.00/ month/ household
Bulk tariff		R5.54/kl	7.00/kl
All consumers (Rand Water Bulk Water Supply)	0 Kl – 6Kl (Free for all Households only)	R6.48/kl	8.00/kl
	6.1Kl – 12Kl	R7.00/kl	8.00/kl
	12.1Kl – 18Kl	R7.56/kl	9.00/kl
	18.1Kl – 30 Kl	R8.16/kl	10.00/kl
	30.1Kl and above	R8.81/kl	11.00/kl
Upright Taps		R32.40/ month/ household	R39.00/ month/ household
Bulk Tariff		R6.70/kl	8.00/kl
Special restrictions	All domestic consumers If the consumption since the previous meter reading is 30kl or less, tariff per kl	R15.06/kl	18.00/kl
	If the consumption since the previous meter reading is more than 30kl, for each kl consumed thereafter, tariff per kl	R22.31/kl	27.00/kl



	For all other consumers irrespective of the quantity consumed, tariff per kl	R15.06/kl	18.00/kl
Connections and reconnections	For the use of a connecting pipe: The actual cost of material, labour and transport calculated on the basis of the main water pipe being situated on the centre line of the street		
	For the reconnections of the supply after the supply was disconnected upon request of the consumer, the connecting sealed and the meter removed, and the amount of R98.66 shall be payable in advance. Should any such or another occupant request that the meter be re-installed and the supply be reconnected, the reconnection charge shall be R39.40		
	For the reconnection of the supply after disconnection for non payment of the account or for contravention of any of the provisions of these bylaws	R307.35	369.00

Meters	For the installation of a meter: The estimated cost of the meter, plus labour and transport, plus an administrative surcharge of 15% on such amount		
	For the use of a portable meter per day or part thereof	R231.47	278.00
	For the supply of water by a portable meter: The charge payable in terms of the abovementioned paragraph supra		
	For a special meter reading on request of a consumer	R51.22	61.00
	Deposit payable	R149.66	R180.00
	Registration by meter shall be considered correct if not more than 5% over or under registered		
Testing of taps, ball valves and flushing valves	Testing and stamping of equipment	R154.14	R185.00
Fire Extinguishing Services	In terms of Section 74(1) and (3) of the Council's Water Supply Bylaws. For the inspection and maintenance of connecting pipes and installations: Estimated cost as determined by the engineer plus an		

	administrative surcharge of 15% on such amount.		
	In terms of Section 75 of the Council's Water Supply By-laws. Cost for inspection of private hydrant installations per annum	R57.65	R69.10
	In terms of Section 76(2) of the Council's Water Supply By-laws. Resealing of each hydrant, hose-reel connection or any other tap supplied for fire extinguishing purposes:	R78.70	R94.00
Deposits	Minimum deposit payable in terms of section 12(1)(a) of the Council's Water Supply By-laws: For high consumers > 30kl/pm	R608.00	R730.00
	Minimum deposit payable in terms of section 12(1)(a) of the Council's Water Supply By-laws: For low consumers < 30kl/pm	R404.00	R485.00
	Builders	R742.00	R890.00
	Administration fee per deposit	R60.00	R72.00

WATER CONSUMPTION	Tariffs	
	2010/11	2011/12
20 mm Residential connection	R2 016.80	R2420.16
50 mm Connection	Applications will be directly made to the Infrastructure & Technical Department as prices of meters escalate from time to time.	Applications will be directly made to the Infrastructure & Technical Department as prices of meters escalate from time to time.
75 mm Fire Connection		
100 mm Fire Connection		
150 mm Fire Connection		
Moving of water meter	R1 574.62	R1889.54

### 3. SEWERAGE

Application Charges Schedule A Part I	Tariffs	
	2010/11	2011/12
The charges set out in Part II of this Schedule shall be payable in terms of section 23(1) of the Council's Drainage By-laws in respect of every application made in terms of section 5 of the mentioned By-laws and shall be paid by the person by or on whose behalf the application is made.		
The engineer shall assess the charges payable in respect of applications received in terms of section 5 of the Council's Drainage By-laws in accordance with Part II, or in a special case as nearly as possible in accordance therewith: Provided that any person aggrieved by such assessment may appeal against it in the manner prescribed in terms of section 3 of the mentioned By-laws.		
<b>Part II</b>		
Minimum charges payable in respect of any application	R93.42	R99.77
Subject to a minimum charge as prescribed in item 1, the following charges shall be payable:		
1. For every 50 m <sup>2</sup> or part thereof of the floor area of the basement and ground floor of any building to be served by, or the use of which will, whether directly or indirectly, be associated with the use of the drainage installation:	R175.09	R186.99

2. For every 50 m <sup>2</sup> or part thereof of the floor area of all other storeys of a building as described in sub-item (1):	R93.42	R100.00
For any application for an alternation not amounting to a reconstruction of or for additions to an existing drainage installation, for each storey of a building as described in item 2:	R93.42	R100.00
For each application in terms of section 7(4) of the Council's Drainage By-laws:	R93.42	R100.00

<b>Drainage Charges</b> <b>Schedule B</b> <b>Part I</b>	2010/11	2011/12
<p>The charges set out in this Schedule shall be payable in terms of section 5, of the Council's Drainage By-laws, in respect of the Council's sewers and sewage-purification works, and the owner of the property to which the charges relate shall be liable therefor.</p>		
<p>The word "month" in this Schedule shall mean a period of one calendar month, and the charges accruing during and in respect of each such month shall become due and payable at the end of that month.</p>		
<p>Where any person who is required to furnish in terms of this Schedule or to provide such other information as may be necessary to enable the engineer to determine the charges to be made under this Schedule fails to do so within thirty days after having been called upon to do so by notice in writing, he shall pay such charges as the engineer shall assess on the best information available to him.</p>		
<p>In all cases of dispute as to the part or category of this Schedule which is applicable to any premises, the decision of the engineer shall be decisive: Provided that the owner may appeal against such decision to the Council.</p>		
<p>Where any building is partially occupied before completion, charges shall be levied in respect of it at half the tariff appropriate to it in terms of Part III of this Schedule for a period of three calendar months after the date of the first occupation, after which the said charges shall be paid in full of the said tariff.</p>		

In the case of premises already connected to a sewer, the charges levied by Parts III and IV of this Schedule and in the case of premises not connected to a sewer, the charges levied by Part II of this Schedule shall come into operation on the date of publication of these By-laws.		
In the case of premises not connected to a sewer, the charges levied under Parts III and IV of this Schedule shall come into operation on the date on which the Council is asked in writing to seal the connection to the Council's sewer.		
The charges under any Part of this Schedule shall remain effective in the case of buildings wholly unoccupied or in course of demolition until the date on which the Council is asked in writing to seal the connection to the Council's sewer.		
Where any charge, other than a change as referred to in item 6, is made in the nature of the occupation or the use of any premises which requires the application of a different tariff in terms of this Schedule, no claim for any adjustment of an account rendered or any refund of moneys paid in terms of this Schedule shall be entertained by the Council: Provided that written notice of the change is given to the Council within thirty days of its occurrence.		
In the case of premises or places connected to the Council's sewerage system and not falling under any of the categories in this Schedule, the charge to be levied by the Council shall, regard being had to the nature of the premises, correspond as nearly as possible with the provisions of this Schedule.		
<b>Domestic Sewerage</b> <b>Part II</b>		



The owner of any land or building having a drainage installation thereon which is connected to the Council's sewers, shall pay the following charges in addition to the charges levied in terms of other parts of this Schedule:			
<b>CONSUMER TYPE</b>			
Domestic	0m <sup>2</sup> – 300m <sup>2</sup>	R54.56	R58.00
	Free basic sanitation (– 20%)	–R10.91	–R12.00
	301m <sup>2</sup> – 1 000m <sup>2</sup> (for each additional 100m <sup>2</sup> or part thereof)	R9.77	R10.00
	1 001m <sup>2</sup> – 2 500m <sup>2</sup> (for each additional 100m <sup>2</sup> or part thereof)	R11.30	R12.00
	2 501m <sup>2</sup> – 10 000m <sup>2</sup> (for each additional 100m <sup>2</sup> or part thereof)	R5.60	R6.00
Industrial, business & flats	Per 1kl consumption	R3.02	R3.00
	Minimum levy	R62.04	R66.00
Schools	Each 5m <sup>2</sup> – max 25 000m <sup>2</sup>	R0.16	0.17
<b>Industrial Effluent</b>			
<b>Part III</b>			
The following rules shall be applicable for the purposes of section 77(3) of the Council's Drainage By-laws in connection with and for the determination of charges, payable for the conveyance and treatment of industrial effluents.			

<p>1. The owner or occupier of premises on which any trade or industry is carried on and from which, as a result of such trade or industry or of any process incidental thereto any effluent is discharged into the Council's sewer, shall, in addition to any other charges for which he may be liable in terms of this Schedule, pay to the Council an industrial effluent charge which shall be calculated:</p>		
<p>(a) on the quantity of water consumed during the month forming the period of charges; and</p>		
<p>(b) Sewer Effluent Tariff</p> <p>Basic Treatment Costs(T): per kl</p> <p>The industrial category will be charged a rate (treatment and conveyance) with an additional</p>	<p>2010/11 R0.00</p>	<p>2011/12 R5.70 per kl</p>

<p>charge based on the sewer composition that will be measured monthly</p> <p>The owner or occupier of premises classified as an industry shall in addition to any other fees determined by the Local Municipality for which he or she may become liable, pay to the Local Municipality an industrial effluent fee that is calculated as follows –</p> <ul style="list-style-type: none"> <li>• on the quantity of water discharged during the financial year of the fee; and/or</li> <li>• specified by the following formula:</li> </ul> <p>(b) In accordance with the following formula:  <b>Trade effluent charge c/KI = R + CODi /CODm X T</b></p> <p>CODi = Monthly mean COD Industrial Effluent (with a minimum of 600 mg/l)  CODm = Yearly mean COD Domestic Effluent (600 mg/l)  R = Total reticulation cost for financial year 2011/2012 (R67.00+R26.00=R93.00)  T = Total treatment cost for financial year 2011/2012 (R5.70)</p> <p>Provided that the Council may in its sole discretion in any given case impose the minimum charge prescribed in terms of item 7 (COD = Chemical Oxygen Demand, P = Phosphates concentration, EC = Electrical Conductivity, IMC = Individual Metal Concentration).</p>		
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<p>2. Whenever a sample is taken by the Council in terms of item 1, one half thereof shall, on his request, be made available to the owner or occupier of the premises.</p>		
<p>3. The strength referred to in rule 1, shall be determined by reference to the oxygen absorbed in four hours from acidic N/80 potassium permanganate on an aliquot part of a well shaken sample in accordance with the methods of chemical analysis as applied to sewerage and sewerage effluents.</p>		
<p>4. In the absence of direct measurement the quantity of industrial effluent discharged during a month shall be determined by the Council according to the quantity of water consumed on the premises during that period and in the determination of that quantity deduction shall be made of the water used on the premises for domestic purposes, lost to the atmosphere during the process of manufacture of present in the final product.</p>		
<p>5. Unless the Council shall, in any particular case, make alternative arrangements in writing with a owner, charges prescribed by this Schedule shall be levied in respect of calendar months.</p>		
<p>6. If a meter whereby the quantity of water consumed on the premises is measures is provided to be defective, the appropriate adjustment shall be made to the quantity of industrial effluent discharged when calculated as prescribed in item 4.</p>		

<p>7. (1) Where industrial effluent is discharged into the sewer from more than one point, whether these points are on the same floor or on different floors or premises, the Council may, in its discretion for purposes of making a charge in terms of this Schedule, including the taking of test samples, treat each such point of discharge as a separate point for the discharge of industrial effluent into the sewer.</p> <p>(2) For the purpose of calculation, as prescribed in item 4, of the quantity of effluent discharged as aforesaid, the total quantity of water consumed on the premises shall be allocated among the several points of discharge as accurately as is reasonably practicable after consultation between the engineer and the owner.</p>		
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8. The minimum charge for the discharge of industrial effluent into the sewer shall be either:		
(a) R2.00 per kl, per month; or	R1.79	R2.00
(b) R46.00 per month, whichever is the larger.	R42.95	R46.00
(c) Vacuum tanker effluent discharged into any municipal sewer works R6.00/kl.	R5.34	R6.00
<b>Service Charges</b>		
<b>Schedule C</b>		
1. The charges set out in the Table below shall, in terms of section 9 of the Council's Drainage By-laws, be payable for services carried out by the Council in terms of the sections specified.		
2. The owner of the property on which or in respect of which the work referred to in item 1 is carried out, shall be liable to the Council for the charge relating thereto. Upon receipt of the cost estimate the owner shall pay a 50% deposit before any work will commence.		
<b>TABLE:</b>		
(1) Sealing of opening (section 9(4) of the Council's Drainage By-laws) per connection		
(2) Removing blockage in drains (section 13(4) of the Council's Drainage By-laws)	R267.37	R286.00
(3) Providing connections (section 7(4) of the Council's Drainage By-laws)		
Actual cost of material and labour, plus 15%.		
<b>SEWER CONNECTION</b>	<b>2010/11</b>	<b>2011/12</b>
110 mm Sewer connection	R1 708.79	R1825.00

150 mm Sewer connection	R3 474.47	R3711.00
<b>BASIC SEWER CHARGE</b>  All premises (except premise with bulk meters but without a non-negotiable agreement in place), including vacant stands, where a Local Municipality Water Supply is available, whether connected to the Local Municipality's water reticulation system or not and irrespective of whether water is used or not.	R0.00	R26.00
<b>SEWER EFFLUENT TARIFF</b> Sewer Effluent Charge(fix)  All categories except the Industrial category will charged a fixed rate monthly for sewer effluent.	R0.00	R67.00

#### 4. REFUSE

Consumer Type	Description	Tariffs	
		2010/11	2011/12
Dwellings & churches		R61.00	R65.00
Flats		R49.64	R53.00
Business & industries		R148.19	R158.00
Bulk refuse permanent (1 removal per month)	Hire tariff (3m <sup>3</sup> )	R129.63	R138.00
	Removal tariff (3m <sup>3</sup> )	R315.49	R337.00
	Hire tariff (5.5m <sup>3</sup> )	R237.49	R254.00
	Removal tariff (5.5m <sup>3</sup> )	R402.30	R430.00
	Hire tariff (6m <sup>3</sup> )	R259.16	R277.00
	Removal tariff (6m <sup>3</sup> )	R630.95	R674.00
	Hire tariff (9m <sup>3</sup> )	R482.00	R515.00
	Removal tariff (9m <sup>3</sup> )	R820.55	R875.00
Bulk refuse permanent (2 - 4 removals per	Removal tariff (5.5m <sup>3</sup> )	R402.30	R430.00
	Removal tariff (6m <sup>3</sup> )	R630.95	674.00

month)	Removal tariff (9m <sup>3</sup> )	R820.55	R876.00
Bulk refuse permanent (more than 4 removals per month)	Removal tariff (5.5m <sup>3</sup> )	R362.09	R387.00
	Removal tariff (6m <sup>3</sup> )	R434.89	R464.00
	Removal tariff (9m <sup>3</sup> )	R521.89	R557.00
Bulk refuse temporary	Rental tariff (3m <sup>3</sup> )	R23.84	R25.00
	Removal tariff (3m <sup>3</sup> )	R315.49	R337.00
	Rental tariff (6m <sup>3</sup> )	R47.55	R51.00
	Removal tariff (6m <sup>3</sup> )	R630.95	R679.00
Special removals	Removal per 4m <sup>3</sup>	R324.69	R347.00
Vacuum tank services	Per 500 L or a part thereof	R132.00	R141.00
	Minimum charge	R1 012.00	R1081.00
	Dep payable – non account holders	R3 564.80	R3807.00
Chemical toilets	Rent per week per unit	R680.64	R727.00
	Dep payable per unit – non account holders	R756.17	R808.00
	Rent per day per unit	R142.07	R152.00
Dumping of refuse (Hartbeesfontein Regional Waste Disposal Site)	Class 1 (0 – 1 000kg)	R22.00	R24.00
	Class 2 (1 001 – 2 000kg)	R60.00	R64.00
	Class 3 (2 001 – 4 000kg)	R136.00	R145.00
	Class 4 (4 001 – 7 000kg)	R270.00	R288.00
	Class 5 (7 001 – 9 000kg)	R306.00	R327.00
	Class 6 (9 001kg plus)	R338.00	R361.00
	<b>Putrescible organic waste:</b>		
	Class 7 (less than a ½ load)	Service terminated	
	Class 8 (½ load)	Service terminated	



	Class 9 (full load)	Service terminated	
Transfer stations	Per load (load = 1 ton LDV)	Free	

**5. ELECTRICITY**

Consumer Type	Consumption Level	Tariffs	
		2010/11	2011/12
Small low voltage supply (single phase supply) – Commercial	Service charge	R63.40	R76.00
	1 X 10 amp	R66.89	R81.00
	1 X 15 amp	R99.78	R120.00
	1 X 20 amp	R138.70	R167.00
	1 X 30 amp	R214.58	R258.00
	1 X 40 amp	R295.93	R356.24
	1 X 50 amp	R383.54	R462.00
	1 X 60 amp	R478.07	R576.00
	1 X 70 amp	R578.58	R696.00
	1 X 80 amp	R691.26	R832.00
Small low voltage supply (three phase supply) – Commercial	Service charge	R63.40	R76.00
	3 X 20 amp	R429.53	R517.00
	3 X 30 amp	R730.09	R879.00
	3 X 40 amp	R843.43	R1015.00
	3 X 50 amp	R1 093.07	1316.00
	3 X 60 amp	R1 362.46	R1640.00
	3 X 70 amp	R1 648.97	R1985.00
	3 X 80 amp	R1 970.08	R2372.00
	3 X 90 amp	R2 392.54	R2880.00
	3 X 100 amp	R2 920.62	R3516.00
Combination of max of three single phase circuit breakers with a sum total – Commercial	30 amp	R214.58	R258.00
	40 amp	R295.93	356.00
	50 amp	R383.54	R462.00
	60 amp	R478.07	576.00
	70 amp	R572.22	R689.00
	80 amp	R691.26	R832.00
Energy charge per kWh – Commercial		0.4930	0.5935
Small low voltage	Service charge	R67.01	R81.00

supply (single phase supply) – Domestic	1 X 10 amp	R70.63	R85.00
	1 X 15 amp	R105.37	R127.00
	1 X 20 amp	R146.46	R176.00
	1 X 30 amp	R226.58	R273.00
	1 X 40 amp	R312.51	R376.00
	1 X 50 amp	R405.04	R488.00
	1 X 60 amp	R504.83	R606.76
	1 X 70 amp	R610.99	R734.00
	1 X 80 amp	R729.97	R875.00
Small low voltage supply (three phase supply) – Domestic	Service charge	R67.01	R80.67
	3 X 20 amp	R453.60	R546.00
	3 X 30 amp	R770.98	R928.00
	3 X 40 amp	R890.66	R1072.00
	3 X 50 amp	R1 154.28	R1390.00
	3 X 60 amp	R1 438.76	R1732.00
	3 X 70 amp	R1 741.31	R2096.00
	3 X 80 amp	R2 080.40	R2504.00
	3 X 90 amp	R2 526.53	R3041.00
Combination of max of three single phase circuit breakers with a sum total – Domestic	30 amp	R226.58	R273.00
	40 amp	R312.51	R376.00
	50 amp	R405.02	R488.00
	60 amp	R564.83	R680.00
	70 amp	R604.28	R727.00
	80 amp	R728.90	R877.00
Energy charge per kWh – Domestic		0.5207	0.6268
<b>Domestic Consumers</b>	<b>Option available:</b> Unit tariff per kWh  or  Small low voltage supply as stated above	0.9244	R1.1128
Bulk low voltage	Service charge	R634.98	R764.00

supply	Min demand charge of 30 kVa or demand charge calculated as the product of 70% of max demand registered during the preceding 12 months or the demand charge applicable to the account during the preceding month per kVa of the registered max demand	R123.25	R148.00
	Energy charge per kWh	0.3308	0.3982
Farming supply	Basic charge for 3 phase 100 amp	R591.50	R712.00
	Energy charge for the first 1 000 kWh per kWh	R1.1695	R1.4078
	Thereafter per kWh	0.6525	0.7854
Temporary supply	Applicable tariff as above plus a surcharge of 25%		
Bulk high voltage supply	Service charge	R634.98	R764.00
	Min demand charge of 75 kVa or a demand charge calculated as the product of 70% of the max demand registered during the preceding 12 months or the demand charge applicable to the account during the preceding month per kVa of the registered max demand	R121.15	R146.00
	Energy charge per kWh	0.3401	0.4094
Municipal tariff per		0.6839	0.8232

kWh			
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Electricity Connections	Tariffs	
	2010/11	2011/12
Pre-paid first meter	R338.00	R407.00
Pre-paid from second meter	R1 100.00	R1324.00
New connections	R2 364.00	R2846.00
Moving of meter	R834.00	1004.00
Three phase connections must be calculated		
Deposit homes (Owners)	R675.00	R813.00
Deposit flats (Owners)	R650.00	R782.00
Deposit homes (Tenants)	R1 100.00	R1324.00
Deposit flats (Tenants)	R930.00	R1120.00
Deposit Businesses (minimum)	R1 860.00	R2239.00
Maximum deposit on businesses be calculated to equal 2 months electricity consumption		
Administration fee deposits	R60.00	R72.00

**6. OTHER TARRIFS RELATED TO CONSUMER ACCOUNTS**

Description	Tariffs	
	2010/11	2011/12
Issuing of Clearance Certificate/Cost Schedule	R38.20	R41.00
Information fee per page	R15.73	R17.00
Issuing of Valuation Certificate	R15.73	R17.00
Valuation roll R11.00 per page with a max of	R528.09	564.00
Address list R11.00 per page with a max of	R528.09	564.00
Reconnection fee for electricity disconnected due to non-payment	R307.35	R328.00
Warning issued for non-payment of water and electricity	R38.20	R34.00
Interim valuations on consolidations and subdivision and establishment of a township	R112.36	R120.00
Information fee per transaction	R15.73	R16.00
Administration fee on unpaid cheques	R112.36	R120.00
Final demand for any outstanding amount per registered letter	R38.20	R41.00
Action taken in demanding payments by means of telephone, fax, e-mail, letter or otherwise	R32.58	R35.00

## 7. RESORTS AND MUNICIPAL TRADING MARKETS

### 7.1 SCHOEMANSVILLE EASTERN FORESHORE RESORT

Comments: As per Resolution A.0965, Council consented on the cancellation of the 99 year lease agreement in respect of Oberon and Kommandonek Resorts. This therefore leaves only Schoemansville Eastern Foreshore Resort under the administration of the Municipality.

SCHOEMANSVILLE EASTERN FORESHORE	Tariff	
	2010/11	2011/12
<b>IN SEASON: 16 SEPT – 15 APR</b>		
Adults	R36.00	R38.00
Children	R18.00	R19.00
Cars/LDV/Combi	R25.00	R27.00
Cano/Sailboat	R25.00	R27.00
Boat/Jetski	R90.00	R96.00
Caravans/tents	R106.00	R113.00
Pensioners day visiting	R11.00	R12.00
Pensioners camping	R65.00	R69.00
<b>OUT SEASON: 16 APR – 16 SEPT</b>		
Adults	R25.00	R27.00
Children	R17.00	R18.00
Car/LDV/Combi	R20.00	R21.00
Cano/Sailboat	R20.00	R21.00
Boat/Jetski	R65.00	R69.00
Caravans/tents	R73.00	R78.00
Pensioners day visiting	R11.00	R12.00
Pensioners camping	R50.00	R53.00



SCHOEMANSVILLE EASTERN FORESHORE	Tariff	
	2010/11	2011/12
<b>GROUP TARIFFS STRUCTURE</b>		
<b>IN SEASON</b>		
Car/LDV/Combi	R25.00	R27.00
Boat/Jetski	R89.00	R95.00
Sailboat/Cano	R25.00	R27.00
1 – 4 adults	R35.00	R37.00
1 – 4 children	R18.00	R19.00
5 – 14 adults	R25.00	R27.00
5 – 14 children	R17.00	R18.00
15 – 50 adults	R20.00	R21.00
15 – 50 children	R11.00	R12.00
51 and more adults	R17.00	R18.00
51 and more children	R9.00	R10.00
Pensioners day visiting	R11.00	R12.00
Pensioners camping	R66.00	R70.00
<b>OUT SEASON</b>		

Car/LDV/Combi	R19.00	R20.00
Boat/Jetski	R65.00	R69.00
Sailboat/Cano	R19.00	R20.00
1 – 4 adults	R25.00	R27.00
1 – 4 children	R17.00	R18.00
5 – 14 adults	R20.00	R21.00
5 – 14 children	R11.00	R12.00
15 – 50 adults	17.00	R18.00
15 – 50 children	R9.00	R10.00
51 and more adults	R13.00	R14.00
51 and more children	R6.50	R7.00
Pensioners day visiting	R11.00	R12.00
Pensioners camping	R50.00	R53.00
Payment for cars and boat could be charged even when groups are allowed into the resort, except when it is a school, church entering by bus, which can be parked near the gate not going into the resort		
<b>CAMPING AND TENTING</b>		
These two areas are not suitable for big group camping as no electric points exists. Ablution facilities cannot accommodate groups. Thus only in and out season tariffs:		
In season – 6 people maximum	R106.00	R113.00
Out season – 6 people maximum	R73.00	R78.00

**7.2 TRADING MARKETS**

<b>MUNICIPAL TRADING MARKETS</b>	<b>2010/11</b>	<b>2011/12</b>
Street Trading/Hawkers Fees	R63.60/ annum	68.00
Tom Street Hawkers Pavilion Stalls	R159.00	R170.00
Industrial Park Stalls/Local Business Support Premises  NB: The market rentals of Industrial Park Stalls are pending completion of valuation process.	To be confirmed after-market rental valuation.	

**8. TOWN PLANNING FEES**

<b>Description</b>	<b>2010/11</b>	<b>2011/12</b>
Consent use application	R1 543.36	R1648.00
Amendment Scheme: Section 56	R4 245.30	R4534.00
Subdivision: Section 92 (Ord. 15 of 1986)	R1 286.84 + R192.92	R1374.00 +R193.00
Consolidation: Section 92 (Ord. 15 of 1986)	R1 286.84	R1374.00
Consolidation as part of subdivision	R192.92	R206.00
Subdivision of agricultural land: Section 6 of Ord. 20 of 1986	R1 286.84 + R192.92	R1374.00 + R193.00
Consolidation as part of above	R192.92	R206.00
Application in terms of Section 72 (1), 78 and 101 (1) (Ord. 15 of 1986) Ext time	R385.84	R412.00
Application in terms of Section 92(4)(a), 92(4)(b) and 92(4)(c) for the repeal of an approval of subdivision or consolidation, or amendments to the conditions imposed in terms of Section 92 (3), or amendments to the consolidation of subdivision plan	R1 286.84	R1374.00
Consolidation as part of the above	R192.92	R206.00

Applications in terms of Section 96 for township establishment	R7 074.44	R7556.00
Application in terms of Section 99 for the division of a township	R1 286.84	R1374.00
Section 100: Amendment to layout	R385.84	R412.00
Section 97: Consent for selling prior to proclamation	R385.84	R412.00
Fee for processing of additional phases in townships	R5 145.24	R5495.10
Application in terms of Section 95 read with Section 88 for the extension of boundaries	R2 830.20	3023.00
Application in terms of Section 125 for the amendments to the scheme to include an approved township in the scheme	R2 058.52	R2199.00
Removal of title restrictions coupled to amendment scheme	R2 058.52	R2199.00
Removal of title restrictions without amendment scheme	R385.84	R412.00
Building line relaxation	R385.84	R412.00
Zoning certificate	R63.60	R68.00
Photostats	R0.34 per A4	R0.40

## 9. BUILDING CONTROL FEES

Description	Tariff	
	2010/11	2011/12
<b>BUILDING PLAN FEES</b>		
<b>RURAL FARMS:</b>		
1 – 100 m <sup>2</sup>	R385.84	R411.00
101 – 200 m <sup>2</sup>	R642.36	R686.00
201 – 300 m <sup>2</sup>	R965.66	R1031.00
301 – 400 m <sup>2</sup>	R1 286.84	R1374.00
401 – 500 m <sup>2</sup>	R1 608.02	R1717.00
501 – 600 m <sup>2</sup>	R1 929.20	R2060.00

Alterations	R321.18	R343.00
Structural work	R321.18	R343.00
Fuel Tanks	R321.18	R343.00
<b>VILLAGES:</b>		

1 – 100 m <sup>2</sup>	R385.84	R412.00
101 – 200 m <sup>2</sup>	R642.36	R686.00
201 – 300 m <sup>2</sup>	R965.66	R1031.00
301 – 400 m <sup>2</sup>	R1 286.84	R1 374.00
401 – 500 m <sup>2</sup>	R1 608.02	R171.00
501 – 600 m <sup>2</sup>	R1 929.20	R2060.00
Alterations	R321.18	R343.00
Structural work	R321.18	R343.00
Fuel Tanks	R321.18	R343.00
<b>ESTABLISHED TOWNSHIPS:</b>		
1 – 100 m <sup>2</sup>	R385.84	R412.00
101 – 200 m <sup>2</sup>	R899.94	R9612.00
201 – 300 m <sup>2</sup>	R1 286.84	R1 374.00
301 – 400 m <sup>2</sup>	R1 671.62	R1785.00
401 – 500 m <sup>2</sup>	R2 058.52	R2199.00
501 – 600 m <sup>2</sup>	R2 444.36	R2611.00
Alterations	R450.50	R481.00
Structural work	R450.50	R481.00
Fuel Tanks	R450.50	R481.00
Building plans (Low cost housing / mass housing project) per house: R25.00, thereafter R10.00 per plan of the same house		
Site Development Plans be charged per square meter depending on the area where a development is proposed		
Perimeter Wall per linear meter in general	R4.45	R5.00
Storage of building material on road reserves / sidewalks	R1 929.20	R2060.30

Re-inspections fees	R192.92	R206.00
<b>CALCULATIONS OF FEES</b>		
Basic fee of R300.00 from 0 – 100 square meters be applicable to rural farms, villages and established townships		
From 101 square meters: R2.50 per square meter on rural farms and villages		
From 101 square meters: R3.50 per square meter applicable to all established townships		

**10. FIRE AND RELATED SERVICES**

<b>Description</b>	<b>2010/11</b>	<b>2011/12</b>
Call-out fees (inside area)	R119.00	R127.00
Call-out fees (outside area)	R239.00	R255.00
Tariff per person per hour or part thereof (calculated from time out to time stop)	R55.00	R59.00
Light Pumper (inside area)	R158.00	R169.00
Light Pumper (outside area)	R318.00	R340.00
Medium Pumper (inside area)	R318.00	R340.00
Medium Pumper (outside area)	R674.00	R720.00
Heavy Pumper (inside area)	R476.00	R508.00
Heavy Pumper (outside area)	R954.00	R1019.00
Portable pump (inside area)	R81.00	R87.00
Portable pump (outside area)	R159.00	R170.00
Special services (trees, bees etc.) inside area	R158.00	R169.00
Special services (trees, bees etc.) outside area	R318.00	R340.00
Standby services (per vehicle per hour) inside area	R158.00	R169.00
Standby services (per vehicle per hour) outside area	R318.00	R340.00
Rescue (rate payer)		
Rescue (non-rate payer) per person rescued	R312.00	R333.00
An additional amount be charged for the whole distance travelled to and from the incident at the rate of R4.00 per kilometer		
An amount be charged for replacement of consumables as well as an additional 10% administrative fee		
The use of water will be exempted from the 10% administrative fee but the current selling price of water consumed be charged		

The training of non-employees at the rate of R38.00 per person per day plus the consumables be charged		
Standby and training of charitable organizations, educational establishments and religious organizations be free of charge provided that these establishments pay for the travel costs and consumables used		



**11. TOWN HALL, COMMUNITY HALLS AND OTHER FACILITIES**

Facility	Tariff	
	2010/11	2011/12
<b>RENTAL (PER DAY UNTIL 24:00)</b>		
<b>PRIVATE OR BUSINESS PURPOSES</b>		
Brits Town Hall (Main Hall)	R1 514.00	R1617.00
Brits Town Hall (Side Hall only)	R642.00	R686.00
Primindia Hall (Main Hall)	R1 286.00	R1373.00
Primindia Hall (Side Hall only)	R642.00	R686.00
Letlhabile Hall	R1 286.00	R1373.00
Oukasie Hall	R1 286.00	R1373.00
Mothotlung Hall	R1 286.00	R1373.00
Kosmos Hall	R1 415.00	R1511.00
Damonsville Hall	R772.00	R824.00
Any other Municipal Hall not listed above	R514.00	R549.00
Activity rooms in Letlhabile, Oukasie and Kosmos	R258.00	R276.00
Lecture Hall, Ground Floor, Municipal Offices, Brits	R258.00	R276.00
Boardroom in Kosmos	R258.00	R276.00
Refundable Deposit (Halls only)	R642.00	R686.00
<b>RENTAL (PER DAY UNTIL 24:00)</b>		
<b>SCHOOLS, CHURCHES, GOVERNMENT DEPARTMENTS AND NGO'S</b>		
Brits Town Hall (Main Hall)	R749.00	R800.00
Brits Town Hall (Side Hall only)	R340.00	R363.00
Primindia Hall (Main Hall)	R682.00	R728.00
Primindia Hall (Side Hall only)	R340.00	R363.00
Letlhabile Hall	R682.00	R728.00
Oukasie Hall	R682.00	R728.00

Mothotlung Hall	R682.00	R728.00
Kosmos Hall	R749.00	R800.00
Damonsville Hall	R409.00	R437.00
Any other Municipal Hall not listed above	R273.00	R292.00
Activity rooms in Letlhabile, Oukasie and Kosmos	R136.00	R145.00
Lecture Hall, Ground Floor, Municipal Offices, Brits	R121.00	R129.00
Boardroom in Kosmos	R121.00	R129.00
Refundable Deposit (Halls only)	R303.00	R324.00
<b>ALL USERS</b>		
<b>RENTAL AFTER 24:00 (PER HOUR OR PART THEREOF)</b>		
Brits Town Hall (Main Hall)	R219.00	R234.00
Brits Town Hall (Side Hall only)	R219.00	R234.00
Primindia Hall (Main Hall)	R219.00	R234.00
Primindia Hall (Side Hall only)	R219.00	R234.00
Letlhabile Hall	R219.00	R234.00
Oukasie Hall	R219.00	R234.00
Mothotlung Hall	R219.00	R234.00
Kosmos Hall	R219.00	R234.00
Damonsville Hall	R219.00	R234.00
Any other Municipal Hall not listed above	R219.00	R234.00
Activity rooms in Letlhabile, Oukasie and Kosmos	R219.00	R234.00
Lecture Hall, Ground Floor, Municipal Offices, Brits	R219.00	R234.00
Boardroom in Kosmos	R219.00	R234.00
<b>ALL USERS</b>		
<b>PREPARATION: DAY BEFORE FUNCTION ETC.</b>		
Brits Town Hall (Main Hall)	R354.00	R378.00
Brits Town Hall (Side Hall only)	R161.00	R172.00
Primindia Hall (Main Hall)	R321.00	R343.00
Primindia Hall (Side Hall only)	R161.00	R172.00
Letlhabile Hall	R321.00	R343.00

Oukasie Hall	R321.00	R343.00
Mothotlung Hall	R321.00	R343.00
Kosmos Hall	R354.00	R378.00
Damonsville Hall	R193.00	R206.00
Any other Municipal Hall not listed above	R128.00	R137.00
All tariffs for Town hall, Community halls and other facilities include VAT.		
<p>Municipal halls be made available free of charge to the following structures, clubs and organisations for the following purposes:</p> <p>All the registered sport clubs that are non-political in nature and without any profit motive in the area of Madibeng: Provided that the annual registration fee has been paid at the Department of Community Safety, Social and Health Services.</p> <p>Clinics for donation of blood or informational clinics.</p> <p>Official civic receptions, functions presented by the Executive Mayor or Mayoress or functions under the patronage of the Executive Mayor or Mayoress: Provided that the application has been approved by the Executive Mayor for free usage.</p> <p>Local municipal elections.</p>		

## 12. ADVERTISING, ACCIDENT REPORTS, BUSINESS LICENSING AND IMPOUNDMENT OF MOTOR VEHICLES

Description	Tariff	
	2010/11	2011/12
<b>TEMPORARY ADVERTISING SIGNS, POSTERS AND BANNERS</b>		
<b>POSTERS AND SLOGANS:</b>		
Deposit (refundable): For every 30 posters or part	R566.00	R604.00
Licensing fees: Per application for posters and slogans to a maximum of 30 posters	R364.00	R389.00
<b>ELECTION POSTERS:</b>		
Administration fee: Per application	R297.00	R317.00
Deposit (refundable): For the permissible number	R566.00	R604.00
<b>PAMPHLETS AND NEWSPAPERS:</b>		
<b>LICENSING FEE:</b>		
Local Businesses per 1 000	R156.00	R167.00
Businesses situated outside the municipal area per 1 000 per type of pamphlet or application	R566.00	R604.00
<b>FOR AND SOLD SIGNS:</b>		
Administration fee: Per application (new)	R364.00	R389.00
Licensing fee: Per annum per agency for boards within the area	R1 444.00	R1 542.00
Per board per occasion	R144.00	R1 542.00
<b>FOR SALE SIGNS LARGER THAN THE APPROVED SIZE:</b>		
Administration fee: Per application	R364.00	R389.00
Licensing fee: Per square meter or part thereof per elevation, which may be displayed for a maximum period of six months	R297.00	R317.00

<b>SHOW HOUSE SIGNS:</b>		
Administration fee: Per application	R297.00	R317.00
Licensing fee: Per occasion, unless the annual fee had been paid	R297.00	R317.00
Licensing fee: Per annum per agency	R1 444.00	R1 542.00
<b>TEMPORARY ROUTE INDICATORS:</b>		
<b>LOCAL APPLICANTS:</b>		
Deposit (refundable)	R335.00	R358.00
Licensing fee: Per route indicator to a maximum of six route indicators per applicant – these route indicators may be displayed for a maximum period of seven days only	R77.00	R82.00
<b>TEMPORARY ROUTE INDICATORS:</b>		
<b>NON LOCAL APPLICANTS:</b>		
Deposit (refundable)	R637.00	R680.00
Licensing fee: Per route indicator to a maximum of six route indicators per applicant – these route indicators may be displayed for a maximum period of seven days only	R92.00	R98.00
<b>BANNERS:228.96</b>		
Deposit per banner (refundable)	R273.00	R292.00
Licensing fee: Per banner per day (for a maximum of 4 days) (erection expenses excluded)	R92.00	R98.00
<b>AERIAL SIGNS:</b>		
Administration fee	R364.00	R389.00
Licensing fee: Per day (maximum of 7 days)	R92.00	R98.00
<b>SPECIAL OFFER SIGNS (600 X 450 MM):</b>		
Administration fee: Per application	R364.00	R389.00
Licensing fee: Per annum per application for boards	R1 444.00	R1 542.00
Licensing fee: Per boards per occasion	R127.00	R136.00

<b>SPECIAL OFFER SIGNS LARGER THAN THE APPROVED SIZE:</b>		
Administration fee: Per application	R364.00	R389.00
Licensing fee: Per square or part thereof per elevation, which may be displayed for a maximum period of 6 months	R297.00	R317.00
<b>FREE STANDING AND ROTATING SIGNS:</b>		
Administration fee	R364.00	R389.00
Licensing fee: Per square meter or part thereof per annum	R297.00	R317.00
<b>ADVERTISING AND HOARDING SIGNS:</b>		
<b>ERECTION ON PRIVATE PROPERTY:</b>		
Administration fee: Per application	R364.00	R389.00
Licensing fee: Per square per elevation per annum	R297.00	R317.00
<b>ADVERTISING AND HOARDING SIGNS:</b>		
<b>ERECTION ON COUNCIL PROPERTY:</b>		
Administration fee: Per application	R364.00	R389.00
Licensing fee: Per square meter per elevation per annum	R297.00	R317.00
<b>PROVISION OF ACCIDENT REPORT:</b>		
Tariff per copy	R92.00	R98.00
<b>BUSINESS LICENSES:</b>		
Sale or supply of meals or perishable Foodstuffs	R312.00	R333.00
Hawking in meals or perishable foodstuffs	R92.00	R98.00
Health facilities or entertainment: Providing Turkish baths, saunas or other health baths	R342.00	R365.00
Health facilities or entertainment: Providing massage or infra-red treatment	R342.00	R365.00
Health facilities or entertainment: Making the services of an escort whether male or female, available to any other person	R514.00	R549.00

Health facilities or entertainment: Keeping three or more apparatus or devices which are designed for the purpose or recreation or amusement	R170.00	R182.00
Health facilities or entertainment: Keeping three or more snooker or billiard tables	R170.00	R182.00
<b>IMPOUNDMENT OF MOTOR VEHICLES:</b>		
Admin fee: Vehicle impounded per day or part of a day	R128.00	R137.00

## 13. LIBRARIES

Description	Tariff	
	2010/11	2011/12
<b>LIBRARIES:</b>		
<b>ADULTS:</b>		
Membership fee	R18.00	R19.00
Fines for late books per week/per book	R3.40	R4.00
Lost Library Card	R18.00	R19.00
Photo Copies	A4: R1.40 A3: R1.20	R2.00 R1.00
Deposit for visitors	R187.00	R200.00
<b>CHILDREN:</b>		
Membership fee	R9.00	R10.00
Fines for late books per week/per book	R3.40	R4.00
Lost Library Card	R18.00	R19.00
Photo Copies	A4: R1.40 A3: R1.20	R1.50 R1.00
Deposit for visitors	R185.40	R198.00
<b>PENSIONER:</b>		
Membership fee	R9.00	R10.00
Fines for late books per week/per book	R3.40	R4.00
Lost Library Card	R18.00	R19.00
Photo Copies	A4: R1.40 A3: R1.20	R2.00 R1.00
Deposit for visitors	R185.40	R198.00



**14. SPORTS FACILITIES**

Area	Tariff	
	2010/11	2011/12
<b>CENTRAL SPORTS GROUND BRITS:</b>		
<b>RESIDENTS OF MADIBENG:</b>		
Bowling Greens	R370.00	R395.00
Brits A-Rugby Field	R647.00	R691.00
Brits B-Rugby Field	R462.00	R493.00
Brits C-Rugby Field	R370.00	R395.00
Soccer Field (New development)	R647.00	R691.00
Cricket Field	R462.00	R493.00
Swimming Pool	R462.00	R493.00
Hall 1	R674.00	R720.00
Hall 2	R674.00	R720.00
Parking area	R648.00	R692.00
Korfbal Courts	R370.00	R395.00
Tennis Courts	R370.00	R395.00
Squash Courts	R370.00	R395.00
<b>CENTRAL SPORTS GROUND BRITS:</b>		
<b>NON RESIDENTS:</b>		
Bowling Greens	R740.00	R790.00
Brits A-Rugby Field	R1 292.00	R1 380.00
Brits B-Rugby Field	R922.00	R985.00
Brits C-Rugby Field	R740.00	R790.00

Soccer Field (New development)	R1 292.00	R1 380.00
Cricket Field	R922.00	R985.00
Swimming Pool	R922.00	R985.00
Hall 1	R1 348.00	R1 440.00
Hall 2	R1 348.00	R1 440.00
Parking area	R1 292.00	R1 380.00
Korfbal Courts	R740.00	R790.00
Tennis Courts	R740.00	R790.00
Squash Courts	R740.00	R790.00
<b>LETLHABILE SPORTS GROUNDS:</b>		
<b>RESIDENTS OF MADIBENG:</b>		
Basketball Court	R278.00	R297.00
Netball Court	R278.00	R297.00
Volleyball Court	R278.00	R297.00
Soccer Field	R462.00	R493.00
Tennis Courts	R336.00	R359.00
Open space	R420.00	R449.00
<b>LETLHABILE SPORTS GROUNDS:</b>		
<b>NON RESIDENTS:</b>		
Basketball Court	R557.00	R595.00
Netball Court	R557.00	R595.00
Volleyball Court	R922.00	R985.00
Soccer Field	R922.00	R985.00
Tennis Courts	R673.00	R719.00
Open space	R838.00	R895.00
<b>OUKASIE SPORTS GROUNDS:</b>		
<b>RESIDENTS OF MADIBENG:</b>		
Soccer Field	R462.00	R493.00
Nelball/Basketball Courts	R370.00	R395.00
Tennis Courts	R370.00	R395.00
Volleyball Courts	R370.00	R395.00
<b>OUKASIE SPORTS GROUNDS:</b>		
<b>NON RESIDENTS:</b>		
Soccer Field	R922.00	R985.00

Nelball/Basketball Courts	R740.00	R790.00
Tennis Courts	R740.00	R790.00
Volleyball Courts	R740.00	R790.00
<b>PRIMINDIA SPORTS GROUNDS:</b>		
<b>RESIDENTS OF MADIBENG:</b>		
Soccer Field	R462.00	R493.00
Netball Courts	R278.00	R297.00
Tennis Courts	R370.00	R395.00
Swimming Pool	R462.00	R493.00
<b>PRIMINDIA SPORTS GROUNDS:</b>		
<b>NON RESIDENTS:</b>		
Soccer Field	R922.00	R985.00
Netball Courts	R557.00	R595.00
Tennis Courts	R740.00	R790.00
Swimming Pool	R922.00	R985.00
<b>DAMONSVILLE SPORTS GROUNDS:309.96</b>		
<b>RESIDENTS OF MADIBENG:1 56.60</b>		
Soccer Field	R370.00	R395.00
Netball Courts	R187.00	R200.00
<b>DAMONSVILLE SPORTS GROUNDS:</b>		
<b>NON RESIDENTS:</b>		
Soccer Field	R740.00	R790.00
Netball Courts	R372.00	R397.00
<b>MOTHOTLUNG SPORTS GROUNDS:</b>		
<b>RESIDENTS OF MADIBENG:</b>		
Soccer Field	R336.00	R359.00
Netball Courts	R278.00	R297.00
<b>MOTHOTLUNG SPORTS GROUNDS:</b>		
<b>NON RESIDENTS:</b>		
Soccer Field	R673.00	R719.00
Netball Courts	R557.00	R595.00
<b>KLIPGAT SPORTS GROUNDS:</b>		
<b>RESIDENTS OF MADIBENG:</b>		
Soccer Field	R336.00	R359.00

Netball Courts	R336.00	R359.00
<b>KLIPGAT SPORTS GROUNDS:</b>		
<b>NON RESIDENTS:</b>		
Soccer Field	R673.00	R719.00
Netball Courts	R557.00	R595.00
A refundable deposit equal to the total cost be charged for the use of the facilities.		
A refundable deposit of R500.00 be charged where facilities are used free of charge.		
Schools within the area of the Municipality's jurisdiction be provided with facilities as indicated above free of charge.		
The halls on the sports grounds only be rented out for the use of public sport events and not private functions such as dances, weddings, meetings, etc.		
<b>SPORTING FEES PAYABLE BY CLUBS FOR REGISTRATION BE INCREASED TO:</b>		
Residents:	R27.00	R29.00
Non Residents:	R54.00	R58.00

## 15. CEMETERY TARIFFS

**HOURS: During the week & Saturdays**                      **07:00 – 16:00**  
**After hours on weekdays & Saturdays**            **15:00 – 07:00**  
**Sundays and public holidays**

Description	Tariff	
	2010/11	2011/12
<b>PURCHASE OF AN 6 FEET GRAVE:</b>		
<b>INSIDE BOUDARIES OF MADIBENG:</b>		
<b>ADULT:</b>		
Hartbeespoort during the week & Saturdays	R668.00	R713.00

Hartbeespoort after hours, weekdays & Saturdays	R911.00	R973.00
Hartbeespoort Sundays & public holidays	R1 274.00	R1361.00
Brits & Langberg during the week & Saturdays	R737.00	R787.00
Brits/Langberg after hours, weekdays & Saturdays	R979.00	R1046.00
Brits/Langberg Sundays & public holidays	R1 343.00	R1434.00
Damonsville during the week & Saturdays	R737.00	R787.00
Damonsville after hours, weekdays & Saturdays	R979.00	R1046.00
Damonsville Sundays & public holidays	R1 343.00	R1434.00
Primindia Muslim during the week & Saturdays	R919.00	R981.00
Primindia Muslim after hours, weekdays & Saturdays	R1 162.00	R1241.00
Primindia Muslim Sundays & public holidays	R1 525.00	R1629.00
Letlhabile Muslim during the week & Saturdays	R919.00	R981.00
Letlhabile Muslim after hours, weekdays & Saturdays	R1 162.00	R1241.00
Letlhabile Muslim Sundays & public holidays	R1 525.00	R1629.00
Letlhabile during the week & Saturdays	R737.00	R787.00
Letlhabile after hours, weekdays & Saturdays	R979.00	R1046.00
Letlhabile Sundays & public holidays	R1 343.00	R1434.00
Mothotlung during the week & Saturdays	R737.00	R787.00
Mothotlung after hours, weekdays & Saturdays	R979.00	R1046.00
Mothotlung Sundays & public holidays	R1 343.00	R1434.00
Oukasie during the week & Saturdays	R737.00	R787.00
Oukasie after hours, weekdays & Sundays	R979.00	R1046.00
Oukasie Sundays & public holidays	R1 343.00	R1434.00
<b>PURCHASE OF AN 6 FEET GRAVE:</b>		
<b>INSIDE BOUNDARIES OF MADIBENG:</b>		
<b>CHILD:</b>		
Hartbeespoort during the week & Saturdays	R668.00	R713.00
Hartbeespoort after hours, weekdays & Saturdays	R911.00	R973.00
Hartbeespoort Sundays & public holidays	R1 274.00	R1361.00

Brits & Langberg during the week & Saturdays	R383.00	R409.00
Brits/Langberg after hours, weekdays & Saturdays	R625.00	R668.00
Brits/Langberg Sundays & public holidays	R989.00	R1056.00
Damonsville during the week & Saturdays	R383.00	R409.00
Damonsville after hours, weekdays & Saturdays	R625.00	R668.00
Damonsville Sundays & public holidays	R989.00	R1056.00
Primindia Muslim during the week & Saturdays	R919.00	R981.00
Primindia Muslim after hours, weekdays & Saturdays	R1 162.00	R1241.00
Primindia Muslim Sundays & public holidays	R1 525.00	R1629.00
Letlhabile Muslim during the week & Saturdays	R919.00	R981.00
Letlhabile Muslim after hours, weekdays & Saturdays	R1 162.00	R1241.00
Letlhabile Muslim Sundays & public holidays	R1 525.00	R1629.00
Letlhabile during the week & Saturdays	R383.00	R409.00
Letlhabile after hours, weekdays & Saturdays	R625.00	R668.00
Letlhabile Sundays & public holidays	R989.00	R1056.00
Mothotlung during the week & Saturdays	R383.00	R409.00
Mothotlung after hours, weekdays & Saturdays	R625.00	R668.00
Mothotlung Sundays & public holidays	R989.00	R1056.00
Oukasie during the week & Saturdays	R383.00	R409.00
Oukasie after hours, weekdays & Sundays	R625.00	R668.00
Oukasie Sundays & public holidays	R989.00	R1056.00
<b>PURCHASE OF AN 6 FEET GRAVE:3132.00</b>		
<b>OUTSIDE BOUNDARIES OF MADIBENG:3348.00R1056.00</b>		
<b>ADULTS:</b>		
Hartbeespoort during the week & Saturdays	R3 631.00	R3878.00
Hartbeespoort after hours, weekdays & Saturdays	R3 763.00	R4019.00
Hartbeespoort Sundays & public holidays	R4 126.00	R4407.00
Brits & Langberg during the week & Saturdays	R3 519.00	3758.00
Brits/Langberg after hours, weekdays & Saturdays	R3 763.00	R4019.00

Brits/Langberg Sundays & public holidays	R4 126.00	R4407.00
Damonsville during the week & Saturdays	R3 519.00	R3758.00
Damonsville after hours, weekdays & Saturdays	R3 763.00	R4019.00
Damonsville Sundays & public holidays	R4 126.00	R4407.00
Primindia Muslim during the week & Saturdays	R3 702.00	R3954.00
Primindia Muslim after hours, weekdays & Saturdays	R3 943.00	R4211.00
Primindia Muslim Sundays & public holidays	R4 308.00	R4601.00
Letlhabile Muslim during the week & Saturdays	R3 702.00	R3954.00
Letlhabile Muslim after hours, weekdays & Saturdays	R3 943.00	R4211.00
Letlhabile Muslim Sundays & public holidays	R4 308.00	R4601.00
Letlhabile during the week & Saturdays	R3 631.00	R3878.00
Letlhabile after hours, weekdays & Saturdays	R3 763.00	R4019.00
Letlhabile Sundays & public holidays	R4 126.00	R4407.00
Mothotlung during the week & Saturdays	R3 519.00	R3758.00
Mothotlung after hours, weekdays & Saturdays	R3 763.00	R4019.00
Mothotlung Sundays & public holidays	R4 126.00	R4407.00
Oukasie during the week & Saturdays	R3 631.00	R3878.00
Oukasie after hours, weekdays & Sundays	R3 763.00	R4019.00
Oukasie Sundays & public holidays	R4 126.00	R4407.00
<b>PURCHASE OF AN 6 FEET GRAVE:</b>		
<b>OUTSIDE BOUNDARIES OF MADIBENG:</b>		
<b>CHILD:</b>		
Hartbeespoort during the week & Saturdays	R2 670.00	R2582.00
Hartbeespoort after hours, weekdays & Saturdays	R2 913.00	R3111.00
Hartbeespoort Sundays & public holidays	R3 276.00	R3499.00
Brits & Langberg during the week & Saturdays	R2 670.00	R2582.00
Brits/Langberg after hours, weekdays & Saturdays	R2 913.00	R3111.00
Brits/Langberg Sundays & public holidays	R3 276.00	R3499.00
Damonsville during the week & Saturdays	R2 670.00	R2582.00
Damonsville after hours, weekdays & Saturdays	R2 913.00	R3111.00

Damonsville Sundays & public holidays	R3 276.00	R3499.00
Primindia Muslim during the week & Saturdays	R3 702.00	R3954.00
Primindia Muslim after hours, weekdays & Saturdays	R3 944.00	R4212.00
Primindia Muslim Sundays & public holidays	R4 308.00	R4601.00
Letlhabile Muslim during the week & Saturdays	R3 492.00	R3729.00
Letlhabile Muslim after hours, weekdays & Saturdays	R3 944.00	R4212.00
Letlhabile Muslim Sundays & public holidays	R4 308.00	R4601.00
Letlhabile during the week & Saturdays	R2 670.00	R2852.00
Letlhabile after hours, weekdays & Saturdays	R2 913.00	R3111.00
Letlhabile Sundays & public holidays	R3 276.00	R3499.00
Mothotlung during the week & Saturdays	R2 670.00	R2852.00
Mothotlung after hours, weekdays & Saturdays	R2 913.00	R3111.00
Mothotlung Sundays & public holidays	R3 276.00	R3499.00
Oukasie during the week & Saturdays	R2 670.00	R2852.00
Oukasie after hours, weekdays & Sundays	R2 913.00	R3111.00
Oukasie Sundays & public holidays	R3 276.00	R3499.00
<b>PURCHASE OF A 6 FEET GRAVE, NEXT TO EACH OTHER (OUKASIE, DAMONSVILLE, LETLHABILE, MOTHOTLUNG):</b>		
<b>CALCULATION OF TARIFF FOR THE PURCHASE OF A SECOND 6 FEET GRAVE:</b>		
Cost of first 6 feet grave#		
<u>PLUS</u> Cost of second 6 feet grave##		
<u>PLUS</u> Cost of reservation of second 6 feet grave###		
<b>EXAMPLE:</b>		
Hartbeespoort cemetery: Inside boundaries: (R550# + R550## + R250###)	R1 639.00	R1750.00
Hartbeespoort cemetery: Outside boundaries:	R7 221.00	R7712.00
All other cemeteries: Inside boundaries: (R607# + R607## + R250###)	R1 777.00	1898.00
All other cemeteries: Outside boundaries:	R7 342.00	R7841.00



<b>PURCHASE OF A 8 FEET GRAVE, TO BURY ONE ON TOP OF EACH OTHER:</b>		
<b>CALCULATION OF TARIFF FOR THE PURCHASE OF A 8 FEET GRAVE:</b>		
Cost of grave		
<u>PLUS</u> Cost to make grave 8 feet		
<u>PLUS</u> Cost of reservation		
<b>EXAMPLE:</b>		
Hartbeespoort cemetery: Inside boundaries: (R550 + R150 + R250)	R1 153.00	R1231.00
Hartbeespoort cemetery: Outside boundaries:	R4 005.00	R4277.00
All other cemeteries: Inside boundaries: (R607 + R150 + R250)	R1 221.00	R1304.00
All other cemeteries: Outside boundaries:	R4 005.00	R4277.00
<b>ADDITIONAL TARIFFS:</b>		
Reservation of grave	R303.00 + cost of the grave	R324.00
Transfer of reserved graves from one person to another	R122.00	R130.00
Opening of grave for removal of bodies	R303.00	R324.00
Bigger measurements (Caskets)	R182.00	R194.00
Erection of memorial works – all cemeteries	R122.00	R130.00
Burial of indigent persons by the municipality		
Burial after hours (weekdays & Saturdays)	R243.00 + cost of the grave	R260.00
Burial on Sundays & public holidays	R606.00 + cost of the grave	R647.00

**16. DEPARTMENT LAND, HOUSING & ENVIRONMENT**  
**DIVISION: PARKS, SIDEWALKS & CEMETERIES**  
**SECTION: NURSERY**

Description	Tariff	
	2010/11	2011/12
<b>PUBLIC:</b>		
Shrubs (4 kg)	R22.00	R23.00
Shrubs (10 kg)	R39.00	R42.00
Shrubs (20 kg)	R78.00	R83.00
Shrubs (40 kg)	R143.00 – R624.00	R153 R666.00
Trees (4 kg)	R22.00	R23.00
Trees (10 kg)	R39.00	R42.00
Trees (20 kg)	R109.00	R116.00
Trees (40 kg)	R219.00 – R712.00	R234.00 R760.00
Ground covers (2 kg)	R11.00	R12.00
Ground covers (4 kg)	R18.00	R19.00
Perennials (2 kg)	R12.00	R13.00
Perennials (4 kg)	R17.00	R18.00
Bulbous (4 kg)	R15.00	R16.00
Palms (4 kg)	R30.00	R32.00
Palms (10 kg)	R49.00	R52.00
Palms (20 kg)	R70.00	R75.00
Palms (100 kg)	R617.00 – R1 072.00	R659.00 R1145.00
Climbers (4 kg)	R19.00	R20.00
Climbers (15 kg)	R75.00	R80.00
Tropical Plants (4 kg)	R17.00	R18.00
Tropical Plants (10 kg)	R48.00	R51.00
Tropical Plants (15 kg)	R68.00	R73.00

Tropical Plants (130 kg)	R104.00 – R741.00	R111.00 R791.00
Herbs (4 kg)	R19.00	R20.00
Herbs (10 kg)	R37.00	R40.00
Herbs (15 kg)	R75.00	R80.00
Conifers (4 kg)	R25.00	R27.00
Conifers (10 kg)	R46.00	R49.00
Conifers (20 kg)	R99.00	R106.00
Conifers (40 kg)	R257.00 – R408.00	R274.00 R436.00
<b>REGISTERED NURSERIES:</b>		
Shrubs (4 kg)	R9.00	R10.00
Shrubs (10 kg)	R19.00	R20.00
Shrubs (20 kg)	R38.00	R41.00
Shrubs (40 kg)	R81.00 – R319.00	R87.00 R341.00
Trees (4 kg)	R9.00	R10.00
Trees (10 kg)	R10.00	R11.00
Trees (20 kg)	R38.00	R41.00
Trees (40 kg)	R81.00 – R319.00	R87.00 R341.00
Ground covers (2 kg)	R3.40	R3.60
Ground covers (4 kg)	R4.50	R480.00
Perennials (2 kg)	R5.60	R6.00
Perennials (4 kg)	R5.60	R6.00
Bulbous (4 kg)	R6.80	R7.26
Palms (4 kg)		
Palms (10 kg)	R47.70	R50.90
Palms (20 kg)	R54.00	R57.60
Palms (100 kg)	R88.00 – R543.00	R94.00 R580.00
Climbers (4 kg)	R9.00	R10.00
Climbers (15 kg)	R38.00	R41.00
Tropical Plants (4 kg)	R9.00	R10.00

Tropical Plants (10 kg)	R23.00	R25.00
Tropical Plants (15 kg)	R37.00	R40.00
Tropical Plants (130 kg)	R51.00 – R353.00	R55.00 R377.00
Herbs (4 kg)	R9.00	R10.00
Herbs (10 kg)	R19.00	R20.00
Herbs (15 kg)	R38.00	R41.00
Conifers (4 kg)	R9.00	R10.00
Conifers (10 kg)	R16.00	R17.00
Conifers (20 kg)	R30.00	R32.00
Conifers (40 kg)	R73.00 – R204.00	R78.00 R218.00

## 17. DECORATIONS

Type of Decoration	Tariff	
	2010/11	2011/12
1 ton LDV load	R425.00	R454.00
Mini decoration (0.5 truck load of plants)	R514.00	R550.00
Small decoration (1 truck load of plants)	R1 158.00	R1237.00
Medium decoration (2 truck loads of plants)	R2 316.00	R2473.00
Large decoration (3 truck loads of plants)	R3 473.00	R3709.00
For every load above 3 loads of plants	R1 158.00	R1237.00
Self built decorations – per one ton LDV load – only the hire of plants, and not accessories / features. Municipal transport not provided.	R128.00	R137.00
NB Deposit on self built decorations	R386.00	R393.00

**18. BULK SERVICES CONTRIBUTION**

DESCRIPTION	Tariff	
	2009/10	2010/11
Storage capacity	R527.00	R634.00
Water purification	R12 716.00	R15259.00
Sewerage purification	R1 993.00	R2129.00
Water reticulation	R13 552.00	R16264.40
Sewerage reticulation	R3 858.00	R4120.00
Roads and storm water	R2 444.00	R2933.00
Electricity	R438.00	R527.00

**19. CONCLUSION**

Note that all tariffs are VAT inclusive except for water, electricity, refuse, and sewerage services. Furthermore tariff for assessment rates is zero rated.

**THE REVIEWED POLICY ON TARIFFS FOR WATER SUPPLY SERVICES  
AND SANITATION CHARGES**

Council Meeting: 31 May 2011

**REPORT OF THE BUDGET AND TREASURY OFFICE: REVENUE DIVISION**

**PURPOSE OF THE REPORT**

The purpose of the report is to present the reviewed tariffs for Water Supply services and Sanitation charges in accordance with the requirements of section 3.3 of circular 55 of MFMA.

The purpose of this report further presents the introduction two new charges called basic charge for water (**availability charges for water**) and **basic charge for sewer (availability charged for sewer)** that will be used for the critical maintenance of the water and sewer networks and pump stations only.

**BACKGROUND**

Whereas other municipalities have a policy on basic charges, The Local Municipality of Madibeng does not have. The stand owners within the jurisdiction of Madibeng Municipality are fully serviced however not been charged for maintenance and this has resulted in a huge revenue loss over the years.

As a result, basic charge has been introduced as part of Financial Recovery Plan on water supply services and sanitation charges in consultation with Water and Sanitation Consultants as appointed by the Municipality.

Reference to "per month" in the tariffs equals a meter reading period of a calendar month.

ALL TARIFFS LISTED BELOW OR TO BE CALCULATED IN TERMS OF THIS SCHEDULE OF TARIFFS **EXCLUDE VAT**.

**DISCUSSION**

**1. WATER TARIFFS**

Charges shall be levied in respect of each separate connection for water (as defined in the Water Supply Bylaws of the Local Municipality). It is further noted that the tariffs effectively charged from **01 July 2011**.

## 2. WATER CONSUMPTION TARIFFS

Charges will be levied in respect of each separate connection for water in different categories (cost per kl water) as defined in the Water Supply By-laws of the Local Municipality

### 2.1 Water basic charge ( Water availability charge)

All premises (except premise with bulk meters but without a non-negotiable agreement in place), including vacant stands, where a Local Municipality Water Supply is available, whether connected to the Local Municipality's water reticulation system or not and irrespective of whether water is used or not, will be charged the fixed monthly Standard Water Availability Charge as follows:

WATER BASIC CHARGE	TARIFF (R/mth)
Basic Charge (Standard Water Availability Charge)	R 27,00

The fixed Standard Water Availability Charge designated as comprising a number of Customer Unit Equivalents, (refer section 3.4) will be calculated by multiplying the standard charge and by the **Number of Customer Unit Equivalents** calculated for the premises.

The amounts due for water and sanitation services for the 2011/12 financial year must be paid on dates as indicated on accounts which will be rendered from **1 July 2011**.

### 2.2 STANDARD WATER CONSUMPTION BASED TARIFF

All premises (except premises to which either sections 3.3 or 3.4 apply) will be charged according to the metered readings and the following sliding-scale

CONSUMER TYPE	CONSUMPTION LEVEL	TARIFFS	
		2010/11	2011/12
All consumers (Own Bulk Water Supply)	0 – 6 kl – Charged and rebated at R3.84/kl (except businesses and industries)	R3.84/kl	4.60/kl
	6.1 – 12 kl	R5.54/kl	7.00/kl
	12.1 – 18 kl	R7.26/kl	9.00/kl
	18.1 – 24 kl	R7.48/kl	9.00/kl

	24.1 – 30 kl	R7.99/kl	10.00/kl
	30.1 – 36 kl	R8.71/kl	10.00/kl
	36.1 – 42 kl	R9.56/kl	11.00/kl
	42.1 – 100 kl	R11.11/kl	13.00/kl
	100.1 – 1000 kl	R7.03/kl	8.00/kl
	1000.1 and more	R8.11/kl	10.00/kl

### **2.3 WATER CONSUMPTION BASED TARIFF FOR PREMISES WITH BULK METERS AND A NON NEGOTIABLE AGREEMENT**

Premises with bulk meters and a non-negotiable agreement in place that is not subject to possible renegotiation on or before 01 July 2011 will be charged according to the metered readings and the 2010/2011 tariff increased by 6,8%

It is recommended that all of these agreements are renegotiated and that the accounts are moved into the correct categories and that water is charged accordingly.

### **2.4 WATER CONSUMPTION BASED TARIFF FOR PREMISES WITH BULK METERS BUT NO NON-NEGOTIABLE AGREEMENT**

Premises with bulk meters but without a non-negotiable agreement in place will be evaluated to ascertain why a bulk meter was installed, with the possibility of the premises being acknowledged as being equivalent to more than one standard premises. Thereafter the value of each standard block will be multiplied by a factor called the **Number of Customer Unit Equivalents** which equals the Number of Standard Customer Units that the bulk water premises is calculated to represent.

Thus for example say a bulk metered premises has been classified as comprising 10 Customer Unit Equivalents that premises will be charged 10 times the Standard Water Availability Charge but their blocks, including the free basic water block, will be 10 times the size of the Standard Water Consumption Blocks

The number of customer unit equivalents will be determined through a process of site specific characteristics including water consumption history and functionality, additionally limiting the maximum increase to less than 66%.

## **3. SEWER TARIFFS**

The Sewerage Charges will be linked to the account where the water connection is billed. Where water is supplied and metered by any legal entity to premises connected to the Local Municipality's Waste Water Reticulation System, the readings supplied by the Local Municipality or other legal entity will be used to calculate and render an account to the owner/tenant concerned.



### 3.1 SEWER AVAILABILITY CHARGE

Any premises (excluding exceptions listed), including vacant stands that are connected to the Local Municipality's sewer network system, irrespective of whether sewer is produced; the monthly minimum basic charge below will be levied (Undeveloped land with access to reticulation).

TARIFF SUMMARY	TARIFF(R)
Sewer Availability Charge	R 26.00

### 3.2 SEWER EFFLUENT TARIFF

All categories except the Industrial category will be charged a fixed rate monthly for sewer effluent.

TARIFF SUMMARY	TARIFF(R)
Sewer Effluent Charge (fix)	R 67.00

It is recommended that this tariff is reviewed and re-evaluated once the water meters situation is addressed and better managed as per the recommendation of the Department of Water Affairs.

### 3.3 SEWER EFFLUENT TARIFF

The Industrial category will be charged a rate (treatment and conveyance) with an additional charge based on the sewer composition that will be measured monthly.

TARIFF SUMMARY	TARIFF(R)
Basic Treatment Cost (T): R per kl	R 5.70 per kl

The owner or occupier of premises classified as an industry shall in addition to any other fees determined by the Local Municipality for which he or she may become liable, pay to the Local Municipality an industrial effluent fee that is calculated as follows –

- on the quantity of water discharged during the financial year of the fee; and/or
- specified by the following formula:

$$\text{Trade effluent charge c/Kl} = R + \text{CODi} / \text{CODm} \times T$$

Where:

COD1 = Monthly mean COD Industrial Effluent (with a minimum of 600 mg/l)

CODm = Yearly mean COD Domestic Effluent (600 mg/l)

R = Total reticulation cost for financial year 2011/2012 (R67.00+R26.00=R93.00)

T = Total treatment cost for financial year 2011/2012 (R5.70)

#### 3.2.1 PENALTY FOR DISCHARGING EFFLUENT NOT COMPLYING WITH LIMITS SET IN BYLAWS

The acceptable discharge limits are specified in the Water and Sanitation By-Laws.

Where effluent not complying with the limits specified is discharged, treatment and conveyance charges being the higher of:

- R 1.15 per kilolitre industrial effluent discharged during the relevant month or
- R 3500, 00 per month for each individual parameter deviating from the acceptable parameters

shall be payable to the Local Municipality in addition to all other charges payable to the Local Municipality in terms of this schedule of tariffs.

The purpose of these penalties is for rectification and not for income generation.

### 3.2.2 VACUUM TANK SERVICES

All vacuum tank service providers and any customer whose effluent is not purely domestic requiring a vacuum tank service will be required to register with the Local Municipality. Where the Local Municipality, in its entire discretion, is willing to accept a vacuum tank service, the following charges, including administration fee shall be levied and payable by the service provider:

TARIFF SUMMARY	TARIFF(R)
Vacuum Tank Service: R per kl	R 7.15

In the event the quality of the effluent does not conform to the standards as determined by the By-Laws, the Local Municipality reserves the right not to receive the effluent, or impose a penalty for the non-conforming quality of effluent. In the event a penalty is imposed, the amount will be to the sole discretion of the Director (Water and Sanitation).

### RECOMMENDED

1. That cognisance be taken:

1.1. Of the report of revised draft tariff on water and sanitation

2. That the introduction of new charges (tariffs) called basic charge for water (availability charges for water) and basic charge for sewer (availability charged for sewer) that will be used for the critical maintenance of the water and sewer networks and pump stations, be approved.



CHR BOSHOFF

ACT. CHIEF FINANCIAL OFFICER

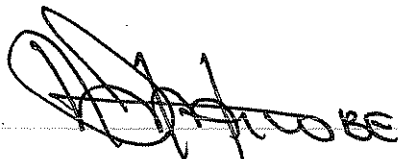
MMC FOR BUDGET & TREASURY  
OFFICE

MEM/mem  
23/05/2011

## **COMMENTS OF THE MUNICIPAL MANAGER**

### **RECOMMENDED**

1. That cognisance be taken of the report of revised draft tariff on water and sanitation.
2. That the introduction of new charges (tariffs) called basic charge for water (availability charges for water) and basic charge for sewer (availability charged for sewer) that will be used for the critical maintenance of the water and sewer networks and pump stations, be approved.



**Act MUNICIPAL MANAGER**

/gh  
2011/05/25

## THE REVIEW OF POLICY ON TARIFFS FOR ELECTRICITY SUPPLY SERVICES

Council Meeting: 31 May 2011

### REPORT OF THE BUDGET AND TREASURY OFFICE: REVENUE DIVISION

#### PURPOSE OF THE REPORT

The purpose of the report is to present the reviewed tariffs for Electricity Supply services charges in accordance with the requirements of section 3.1 of circular 55 of MFMA.

#### BACKGROUND

The Eskom price bulk electricity supplied to the Municipality will increase by R26.71% on 1 July 2011. Based on this price increase, and increases in the price of other inputs, National Electricity Regulator of South Africa (NERSA) has set a guideline increase for Municipal tariffs of 20.38%.

Resulting from the NERSA guidelines, the Municipality adopts 20.38% as a tariff increase for Electricity supply for the Financial Year 2011/12

#### DISCUSSION

All tariffs listed below **exclude VAT**.

Consumer Type	Consumption Level	Tariffs	
		2010/11	2011/12
Small low voltage supply (single phase supply) – Commercial	Service charge	R63.40	R76.00
	1 X 10 amp	R66.89	R81.00
	1 X 15 amp	R99.78	R120.00
	1 X 20 amp	R138.70	R167.00
	1 X 30 amp	R214.58	R258.00
	1 X 40 amp	R295.93	R356.24
	1 X 50 amp	R383.54	R462.00
	1 X 60 amp	R478.07	R576.00

	1 X 70 amp	R578.58	R696.00
	1 X 80 amp	R691.26	R832.00
Small low voltage supply (three phase supply) – Commercial	Service charge	R63.40	R76.00
	3 X 20 amp	R429.53	R517.00
	3 X 30 amp	R730.09	R879.00
	3 X 40 amp	R843.43	R1015.00
	3 X 50 amp	R1 093.07	1316.00
	3 X 60 amp	R1 362.46	R1640.00
	3 X 70 amp	R1 648.97	R1985.00
	3 X 80 amp	R1 970.08	R2372.00
	3 X 90 amp	R2 392.54	R2880.00
	3 X 100 amp	R2 920.62	R3516.00
Combination of max of three single phase circuit breakers with a sum total – Commercial	30 amp	R214.58	R258.00
	40 amp	R295.93	356.00
	50 amp	R383.54	R462.00
	60 amp	R478.07	576.00
	70 amp	R572.22	R689.00
	80 amp	R691.26	R832.00
Energy charge per kWh – Commercial		0.4930	0.5935
Small low voltage supply (single phase supply) – Domestic	Service charge	R67.01	R81.00
	1 X 10 amp	R70.63	R85.00
	1 X 15 amp	R105.37	R127.00
	1 X 20 amp	R146.46	R176.00
	1 X 30 amp	R226.58	R273.00
	1 X 40 amp	R312.51	R376.00
	1 X 50 amp	R405.04	R488.00
	1 X 60 amp	R504.83	R606.76
	1 X 70 amp	R610.99	R734.00
	1 X 80 amp	R729.97	R875.00
Small low voltage supply (three phase supply) – Domestic	Service charge	R67.01	R80.67
	3 X 20 amp	R453.60	R546.00
	3 X 30 amp	R770.98	R928.00
	3 X 40 amp	R890.66	R1072.00
	3 X 50 amp	R1 154.28	R1390.00
	3 X 60 amp	R1 438.76	R1732.00
	3 X 70 amp	R1 741.31	R2096.00

	3 X 80 amp	R2 080.40	R2504.00
	3 X 90 amp	R2 526.53	R3041.00
	3 X 100 amp	R3 084.18	R3713.00
Combination of max of three single phase circuit breakers with a sum total – Domestic	30 amp	R226.58	R273.00
	40 amp	R312.51	R376.00
	50 amp	R405.02	R488.00
	60 amp	R564.83	R680.00
	70 amp	R604.28	R727.00
	80 amp	R728.90	R877.00
Energy charge per kWh – Domestic		0.5207	0.6268
Domestic Consumers	Option available: Unit tariff per kWh  or  Small low voltage supply as stated above	0.9244	R1.1128
Bulk low voltage supply	Service charge	R634.98	R764.00
	Min demand charge of 30 kVa or demand charge calculated as the product of 70% of max demand registered during the preceding 12 months or the demand charge applicable to the account during the preceding month per kVa of the registered max demand	R123.25	R148.00
	Energy charge per kWh	0.3308	0.3982
Farming supply	Basic charge for 3 phase 100 amp	R591.50	R712.00
	Energy charge for the first 1 000 kWh per kWh	R1.1695	R1.4078
	Thereafter per kWh	0.6525	0.7854
Temporary supply	Applicable tariff as above plus a surcharge of 25%		

Bulk high voltage supply	Service charge	R634.98	R764.00
	Min demand charge of 75 kVa or a demand charge calculated as the product of 70% of the max demand registered during the preceding 12 months or the demand charge applicable to the account during the preceding month per kVa of the registered max demand	R121.15	R146.00
	Energy charge per kWh	0.3401	0.4094
Municipal tariff per kWh		0.6839	0.8232
Electricity Connections		Tariffs	
		2010/11	2011/12
Pre-paid first meter		R338.00	R407.00
Pre-paid from second meter		R1 100.00	R1324.00
New connections		R2 364.00	R2846.00
Moving of meter		R834.00	1004.00
Three phase connections must be calculated			
Deposit homes (Owners)		R675.00	R813.00
Deposit flats (Owners)		R650.00	R782.00
Deposit homes (Tenants)		R1 100.00	R1324.00
Deposit flats (Tenants)		R930.00	R1120.00
Deposit Businesses (minimum)		R1 860.00	R2239.00
Maximum deposit on businesses be calculated to equal 2 months electricity consumption			
Administration fee deposits		R60.00	R72.00

## RECOMMENDED

1. That cognisance be taken:

1.1. Of the report of revised draft tariff on electricity supply charges.

2. Based on the price increase, and increases in the price of other inputs, the Electricity supply tariff increase of 20.38% for the financial year 2011/12 as guided by the National Electricity Regulator of South Africa (NERSA) be approved.



**CHR BOSHOFF**

**ACT. CHIEF FINANCIAL OFFICER**

**MMC FOR BUDGET & TREASURY  
OFFICE**

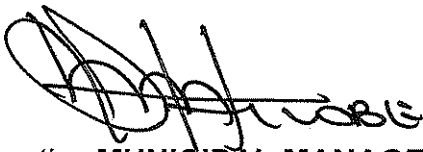
**MEM/mem  
23/05/2011**



## **COMMENTS OF THE MUNICIPAL MANAGER**

### **RECOMMENDED**

1. That cognisance be taken of the report of revised draft tariff on electricity supply charges.
2. That, based on the price increase, and increases in the price of other inputs, the Electricity supply tariff increase of 20.38% for the financial year 2011/12, as guided by the National Electricity Regulator of South Africa (NERSA), be approved.



*acting* **MUNICIPAL MANAGER**

EJHF/gh  
2011/05/26

# LOCAL MUNICIPALITY OF MADIBENG




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## POLICY ON THE SUBSIDY SCHEME FOR INDIGENT HOUSEHOLDS

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**POLICY ON THE SUBSIDY SCHEME FOR INDIGENT HOUSEHOLDS**

**NO. 2 OF 2007**

**LOCAL MUNICIPALITY OF MADIBENG**

---

**1. INTRODUCTION**

- 1.1 The Municipality must give priority to the basic needs of the community, promote the social and economical development of the community and ensure that all residents and communities in the municipality have access to at least the minimum level of basic municipal services in terms of Section 152(1)(b) and 153(b) of the Constitution of the RSA (Act No. 108 of 1996).
- 1.2 The Constitution recognizes Local Government as a distinct sphere of Government and as such also entitles Local Government to a share of nationally raised revenue, which will enable it to perform its basic function of providing essential services to the community within its boundaries.
- 1.3 Basic services are generally regarded as to be access to clean water within a reasonable distance of one's dwelling, electricity, basic sanitation, solid waste removal and access to and availability of roads.
- 1.4 The key purpose of an indigent subsidy policy is to ensure that households with low income are not denied a reasonable service, and on the contrary the Local Authority is not financially burdened with non-payment of services: Provided that grants are received and funds are available, the indigent subsidy policy should remain intact.
- 1.5 To achieve this purpose it is important to set a fair threshold level, and then to provide a fair subsidy on tariffs set out in the Council's Tariff Policy. The consumer, in order to qualify for indigency, needs to complete the necessary documentation as required and agree to regulations and restrictions stipulated by the Municipality from time to time.

**2. PURPOSE OF THE POLICY**

- 2.1 The purpose of this policy is to ensure that the subsidy scheme for indigent households forms part of the financial system of the Municipality and to ensure that the same procedure be followed for each individual case in a fair and equitable manner.

**3. CRITERIA FOR INDIGENTS TO QUALIFY FOR INDIGENT SUPPORT**

- 3.1 Grants-in-aid may, within the financial ability of the Municipality, be allocated to owners or tenants of premises who receive

electricity, water and sewerage or refuse removal services from the Municipality, in respect of charges payable to the Municipality for such services.

- 3.2 These grants may be allocated if such a person or any other occupier of the property concerned can submit proof or declare under oath that all occupants over 18 years of age had no income or a verified total gross monthly income of less than R2, 320 for the preceding three consecutive months.
- 3.3 Only one application per person in respect of one property shall qualify for consideration unless it is two pensioners. A business, body, association, club or governing body shall not qualify for consideration.
- 3.4 The subsidy will apply to the owner or tenant of the property concerned.
- 3.5 The subsidy will not apply in respect of households owning more than one property, who will therefore not be classified as indigent.

#### **4. APPLICATION AND VERIFICATION FORM**

- 4.1 A prescribed APPLICATION FORM FOR A INDIGENT HOUSEHOLD SUBSIDY must be completed by all consumers who wish to qualify in terms of this policy.
- 4.2 The account holder must apply in person and must present the following documents upon application:
  - 4.2.1 The latest municipal account in his/her possession;
  - 4.2.2 The account holder's identity document;
  - 4.2.3 An application form indicating the names and identity numbers of all occupants/residents over the age of 18 years, who reside at the property; and
  - 4.2.4 Documentary proof of income where possible.
- 4.3 The VERIFICATION FORM OF INFORMATION SUPPLIED must be completed by an official duly authorised by the Chief Financial Officer, or a municipal agent appointed by Council, for use to audit (verify) the information submitted by applicant(s).
- 4.4 The relevant Ward Councillor and or Traditional Leaders must be involved during the evaluation process and must verify the application together with the relevant officials.
- 4.5 The above mentioned forms must be read in conjunction with this policy and form part of Council's indigent policy.
- 4.6 The list of indigent households may be made available at any

time to the Information Trust Corporation (ITC) for the purpose of exchanging credit information. Households qualifying for consumer credit elsewhere will not be regarded as indigents.

- 4.7 If an application is considered favourably, a subsidy will only be granted during a municipal financial year and the subsequent twelve- (12) month budget cycle.
- 4.8 The onus will rest on the approved account holders to apply for relief on an annual basis.

## **5. COMPILATION AND MAINTENANCE OF AN INDIGENT REGISTER**

- 5.1 The Chief Financial Officer will be responsible to compile and administer the database for households registered in terms of this policy.
- 5.2 The Municipality reserves the right to send officials or its agents to premises/households receiving relief from time to time for the purpose of conducting an on-site audit of the details supplied.

## **6. PENALTIES AND DISQUALIFICATION FOR FALSE INFORMATION**

- 6.1 Applicants will be required to sign and submit a sworn affidavit, to the effect that all information supplied is true and that all income, i.e. from formal and/or informal sources, is declared.
- 6.2 Any person who supplies false information will be disqualified from further participation in the subsidy scheme. He/she will also be liable for the immediate repayment of all subsidies received, and the institution of criminal proceedings, as the Municipality may deem fit.
- 6.3 The onus also rests on indigent support recipients to immediately notify Council of any changes in their indigence status.

## **7. SERVICES TO BE SUBSIDISED**

### **7.1 WATER SERVICES**

A subsidy of six (6) kilolitres of water per household per month, subject to the provision that the subsidy will only apply where the consumer agrees in writing that the supply of water to the applicable premises may be restricted by a flow control washer (restriction washer) being inserted in the water meter. The six (6) kilolitres of water is currently supplied to all residential consumers free of charge, as per Council policy, and do not represent an additional six (6) kilolitres.

### **7.2 ELECTRICITY SERVICES**

A subsidy of 50 kWh electricity per household per month will be allocated to an indigent household who is eligible thereto in terms of the Electricity Basic Services Support Tariff (EBSST) as published in Government Gazette No. 25088 of 04 July 2003.

### 7.3 REFUSE REMOVAL SERVICES

A subsidy, determined at the beginning of every financial year and equal to the ordinary tariff for weekly household refuse removals, will be applied for the duration of that particular financial year. The amount of the subsidy will be determined and approved as part of the tariff policy applicable for the financial year.

### 7.4 SEWERAGE SERVICES

A subsidy, determined at the beginning of every financial year, will be applied for the duration of that particular financial year equal to the monthly household charge for sewerage availability. The amount of the subsidy will be determined and approved as part of the tariff policy applicable for the financial year.

### 7.5 ASSESSMENT RATES AND OTHER SERVICE CHARGES

Assessment rates and other service charges will be subsidised in full subject to the maximum of the balance left after the subsidy for the Water, Electricity, Sewerage and Refuse services have been subtracted from the maximum subsidy, subject to the Council's Property Rates policy and by-law.

### 7.6 MAXIMUM SUBSIDY

The total subsidy allocated to an indigent household will be subject to the maximum subsidy monthly amount as determined annually by Council **(R160.00 per household per month)** and will be published as part of the annual tariffs as set by the Council.

## 8. TARIFF POLICY IN RELATION TO INDIGENT HOUSEHOLDS

8.1 The Municipal Systems Act, Act No. 32 of 2000 (MSA) stipulates that a Municipal Council must adopt and implement a tariff policy on the levying of fees for municipal services provided by the municipality itself or by way of service delivery agreements and which complies with the provisions of the Act and with any other applicable legislation.

8.2 A tariff policy must reflect, amongst others, at least the following principles, namely that:

8.2.1 The amount individual users pay for their services should generally be in proportion to their use of that service;

8.2.2 Poor households must have access to at least basic services through-

- 8.2.2.1 tariffs that cover only operating and maintenance costs;
- 8.2.2.2 special tariffs or life-line tariffs for low levels of use or consumption of services or for basic levels of service; or
- 8.2.2.3 any other direct or indirect method of subsidisation of tariffs for poor households, and

8.2.3 The extent of subsidisation of tariffs for poor households and other categories of users should be fully disclosed.

## **9. SOURCES OF FUNDING**

- 9.1 The amount of subsidisation will be limited to the amount of the equitable share received on an annual basis. This amount may be varied on a yearly basis according to the new allocation for a particular financial year.
- 9.2 If approved as part of the tariff policy the amount of subsidisation may be increased through cross subsidisation, i.e. a step tariff system.

## **10. METHOD OF TRANSFERENCE AND THE VALUE OF THE SUBSIDY**

- 10.1 No amount shall be paid to any person or body, but shall be transferred as a credit towards the approved account holder's municipal services' account in respect of the property concerned.
- 10.2 Arrear amounts shall not qualify for any assistance and shall not be taken into consideration. Calculations shall be based on the monthly current accounts only and in accordance with the approved tariff policy.

## **11. ARREAR ACCOUNTS**

- 11.1 The approved account holder shall remain responsible for any outstanding amount at the date of application as well as for future charges.
- 11.2 The arrears on the accounts of households, approved as indigent, will be suspended until such time as the status of the approved account holder has changed. No interest shall accrue on arrear amounts from the date of suspension and account holders must sign an acknowledgment of debt in respect of arrears so suspended.

## **12. RESTORING SERVICES TO QUALIFIED HOUSEHOLDS**



- 12.1 If an application is approved, services will be restored free of charge. If services are to be suspended thereafter in terms of the approved credit control policy, the approved tariff will be payable in full.

**13. SERVICES IN EXTENT TO AVAILABLE FUNDING**

- 13.1 Where restriction of consumption applies to a particular service, applicants may not refuse to be restricted in terms of Council policy. Where restrictions are not possible the account holder will be responsible for the consumption in excess of the approved subsidy.

**14. CREDIT CONTROL POLICY TO BE APPLIED FOR INDIGENT HOUSEHOLDS**

**14.1 AIMS OF THE POLICY**

The credit control policy aims to achieve the following:

- 14.1.1 To distinguish between those who can and those who genuinely cannot pay for services;
- 14.1.2 To encourage those who cannot pay to register with the municipality so that they may receive subsidies;
- 14.1.3 To enable the municipality to determine and identify defaulters to ensure appropriate credit control procedures are in place;
- 14.1.4 To establish an indigency directory of all persons who comply with the policy.

**14.2 OBLIGATION TO PAY**

- 14.2.1 The policy on provision of services should endeavour to provide services in accordance with the amount available for subsidisation.
- 14.2.2 It is however important to note that the subsidy received may not cover the full account. In such event the consumer is still responsible for the balance between the full account and the subsidy received.
- 14.2.3 Where applicable, credit control measures must still be applied, in accordance with the approved credit control policy, for such outstanding amounts.

**15. REVIEWAL OF POLICY**

- 15.1 This policy shall be reviewed annually during March of the year preceding the new budget commencing on 01 July and be amended, if necessary.

**16. NAME OF POLICY**

This policy shall be known as the Policy On The Subsidy Scheme For Indigent Households of the Local Municipality of Madibeng.

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ADOPTED as policy by the LOCAL MUNICIPALITY OF MADIBENG as per Council Resolution No..... dated ..... 2010.

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APPENDIX A: Application Form for Indigent Household Subsidy  
APPENDIX B: Verification Form used by Inspector of Premises

**APPLICATION FORM FOR INDIGENT  
HOUSEHOLD SUBSIDY**

Official Use	
Wyk/Ward No	Erf/Site No.

**Account No:**

**Signature Ward Councillor:** .....

The following documents must be presented upon application:

- a. Latest Municipal Account
- b. Copies of ID documents of applicant and all occupants / residents over the age of 18 years who reside at the property.
- c. Documentary proof of income where applicable.

Die volgende dokumentasie moet saam met die aansoek ingedien word:

- a. Jongste Munisipale Rekening.
- b. Afskrifte van ID dokumente van aansoeker en alle inwoners van die perseel bo die ouderdom van 18 jaar.
- c. Dokumentêre bewys van inkomste waar van toepassing.

**APPLICATION FOR INDIGENT HOUSE-  
HOLD SUBSIDY**

1. In an effort to assist the needy population of Madibeng in the payment of municipal services the Council of Madibeng has agreed to a subsidy scheme whereby households earning less than R1 100,00 per month would have certain services fully or partly subsidised.
2. Please read the back of this form to see if you qualify and what documents / items you are required to produce and submit with this application. If you feel that you do qualify you must complete the details of all occupants over the age of 18 years old on date of this application together with their respective gross monthly incomes in the space below.

**AANSOEK OM SUBSIDIE VIR  
BEHOEFTIGE HUISHOUDINGS**

1. In 'n poging om die behoeftige inwoners van Madibeng by te staan met die betaling van munisipale dienste het die Raad van Madibeng toegestem tot 'n subsidieskema in terme waarvan sekere huishoudings waar die gekombineerde bruto inkomste van alle bewoners van die perseel nie R1 100,00 per maand oorskry nie vir sekere dienste ten volle of gedeeltelik gesubsideer kan word.
2. Lees asseblief die agterkant van hierdie vorm om vas te stel of u kwalifiseer al dan nie en ook om te bepaal watter dokumentasie / vorms benodig word vir voorlegging saam met hierdie aansoek. Indien u van mening is dat u kwalifiseer moet die besonderhede van alle bewoners oor die ouderdom van 18 jaar soos met datum van hierdie aansoek asook hul onderskeie bruto maandelikse inkomste in die ruimte hieronder ingevul word.

**PERSONAL PARTICULARS OF ALL OCCUPANTS OVER 18 YEARS LIVING AT THE  
HOUSEHOLD**

	ID	INITIALS	SURNAME	EMPLOYED	EMPLOYER	GROSS MONTHLY INCOME	SOURCE OF INCOME
1							
2							
3							
4							
5							
6							
7							

**DECLARATION OF APPLICANT**

I, the undersigned who resides at the address indicated above hereby apply for the Household Indigence Subsidy determined in relation to the income indicated above, and solely declare that:

- a. All particulars furnished in this form, including the total gross income of myself and all occupants of the premises are to the best of my knowledge and belief, true and correct;
- b. If the particulars furnished in this form should change for any reason, I will immediately notify the Council;
- c. I am aware that the information supplied in this form by me may be made available by the Council to the Credit Bureau;
- d. I or any other occupant do not own any other property in the Republic of South Africa apart from the property indicated on the account for which this application was made;
- e. I agree that the Council officials may conduct an on-site audit to verify the information supplied in this declaration;
- f. I am aware that any false declaration on this form, is punishable by law and will result in disqualification of the subsidy;
- g. I agree that the supply of water to my premises may be restricted by a flow-control washer and/or any other method Council may deem fit; and
- h. I hereby acknowledge that the amount in respect of the arrears as at ..... (together with interest accrued at the Standard Interest Rate) on account number indicated above remains payable by me.

.....  
**FULL NAME OF APPLICANT**  
**VOLLE NAME VAN APPLIKANT**

.....  
**PLACE**  
**PLEK**

**VERKLARING DEUR DIE AANSOEKER ANNEXURE B11**

Ek die ondergetekende, woonagtig by die adres hierbo aangedui, doen hiermee aansoek om die Subsidie vir Behoeftige Huishoudings, soos van toepassing op die inkomste hierbo aangedui en verklaar plegtig dat:

- a. Alle besonderhede verskaf op hierdie vorm insluitend die totale bruto inkomste van myself en alle bewoners van die persel, waar en juis is;
- b. Indien die besonderhede op hierdie vorm verskaf om enige rede sou verander, ek die Raad onmiddellik sal verwittig;
- c. Ek bewus is daarvan dat die inligting soos deur my verskaf deur die Raad aan die kredietburo beskikbaar gestel mag word;
- d. Ek of enige ander inwoner nie enige ander eiendom in die Republiek van SA besit afgesien van die eiendom aangetoon op die rekening ten opsigte waarvan hierdie aansoek ingedien word nie;
- e. Ek daartoe toestem dat amptenare van die Raad 'n terplaatsse oudit mag doen om die inligting verskaf te verifieër;
- f. Ek bewus is daarvan dat enige valse verklaring op hierdie vorm wetlik strafbaar is en my onmiddellik sal diskwalifiseer vir deelname aan die subsidie;
- g. Ek daartoe instem dat die voorsiening van water na my perseel beperk mag word deur 'n vloekontrollewasser en/of enige ander metode wat die Raad mag goeëdunk; en
- h. Ek erken dat die agterstallige bedrag op bogenoemde rekening soos op ..... (tesame met rente teen die Standaard Rentekoers) deur my verskuldig bly.

.....  
**DATE**  
**DATUM**

.....  
**SIGNATURE/THUMB PRINT OF THE APPLICANT**  
**HANDTEKENING/DUIMAFDRUK VAN APPLIKANT**

**FOR OFFICE USE ONLY**Council Attesting Official

The consequence of the above declaration made by the applicant was explained to him/her and he/she indicated that:

- a. The contents of the declaration was understood, and
- b. That if found to be untrue, he/she would automatically be disqualified from receiving any subsidy. He/She will be liable for the immediate repayment of any subsidy received and may have criminal proceedings instituted against him/her as Council may deem it.
- c. All required documentation has been submitted.

(Full Name ..... (Signature) .....

Budget and Treasury Office  
 Ex Officio Commissioner of Oaths of SA

## LOCAL MUNICIPALITY OF MADIBENG

## HOUSEHOLD INDIGENCE SUBSIDY SCHEME

## VERIFICATION FORM OF INFORMATION SUPPLIED:

HOME ADDRESS: \_\_\_\_\_

\_\_\_\_\_

In terms of the Indigence Subsidy Scheme, the applicant agreed that Municipal Employees may conduct an on-site audit to verify the information supplied on the application form.

## SECTION A: PARTICULARS OF ACCOUNT HOLDER

1. Surname \_\_\_\_\_
2. First Names \_\_\_\_\_
3. ID number \_\_\_\_\_
4. Date of Birth \_\_\_\_\_
5. Residential Address \_\_\_\_\_  
\_\_\_\_\_
6. Postal Address \_\_\_\_\_
7. Telephone no. on site \_\_\_\_\_
8. Persons Interviewed \_\_\_\_\_
9. Number of people living on property (over 18) \_\_\_\_\_

## SECTION B: INCOME OF HOUSEHOLD

ID Number	Initial & Surname	Gross Monthly Income	Source of Income	Employed Yes/No	Proof of Income
<b>Total</b>					

## SECTION C: INSURANCE POLICIES

Company	Policy type	Monthly payments
<b>Total</b>		

**DECLARATION BY VERIFYING OFFICER:****ANNEXURE B13**

I, the undersigned, who on behalf of the Local Municipality of Madibeng, conducted an on-site audit at the address to verify the information supplied on application for the Indigence Subsidy, hereby solemnly declare that:

- a) All particulars furnished in this form were supplied by the household.
- b) None of the above particulars were in any way altered by myself unless instructed to do so by the household and initialled accordingly.
- c) Based on my investigation, it is my belief that to the best of my knowledge the above household: \_\_\_\_\_ qualifies for the subsidy/needs to be further investigated.

\_\_\_\_\_  
Full name of Verifying Officer

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

\_\_\_\_\_  
Full name of Supervisor

\_\_\_\_\_  
Signature

\_\_\_\_\_  
Date

Total Income      R\_\_\_\_\_

Total Expenditure      R\_\_\_\_\_



**LOCAL MUNICIPALITY OF MADIBENG**

**CREDIT CONTROL AND DEBT COLLECTION BY-LAW**

**The Municipal Manager of the Local Municipality of Madibeng hereby, in terms of section 13(a) of the Local Government: Municipal Systems Act, 2000 (Act No. 32 of 2000), publishes the Credit Control and Debt Collection By-law for the Madibeng Municipality, adopted by its Council as set out hereunder.**

**PREAMBLE**

**WHEREAS** a municipality has a constitutional duty to collect all monies due and payable to it in terms of S.96 (a) of the Local Government: Municipal Systems Act, 2000 (Act. 32 of 2000)

**AND WHEREAS** municipalities must adopt, maintain and implement a credit control and debt collection policy in terms of S.96 (b) of the aforementioned Act which is consistent with its rates and tariffs policies and complies with its provisions;

**AND WHEREAS** municipalities must adopt a by-law in terms of S.98(1) of the said Act to give effect to the municipality's credit control and debt collection policy, its implementation and enforcement;

**AND WHEREAS** such a by-law may differentiate between different categories of ratepayers, users of services, debtors, taxes, services, service standards and other matters, as long as such differentiation does not amount to unfair discrimination;

**NOW THEREFORE** the Local Municipality of Madibeng hereby publishes the following by-law:



**CREDIT CONTROL AND DEBT COLLECTION BY-LAW**

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## CHAPTER 1 GENERAL PROVISIONS

### 1 Definitions

**“Act”** means the Local Govt: Municipal Systems Act, 2000 (Act No. 32 of 2000)

**“Apparatus”** means any equipment, tool, device, meter, connection, system, or network, service protection device, articulation network or supply mains, or any part thereof, supplied or used in the supply distribution, or conveyances of services or measurement or consumption of services.

**“Authorized official”** means an employee, agent, subcontractor, or representative of the Council, duly authorized, by a service provider to perform, any function under this policy;

**“Arrears”** includes collection charges and interest in respect of the principal amount in arrears;

**“Availability fee”** means a fee as contemplated in sections 81(1), 83(1)(c) and 141(b) of the Local Government Ordinance, 1939 (Ordinance No. 17 of 1939), or any other law;

**“Billing”** means proper formal notification (invoicing) on a statement to each customer of amounts levied for assessment rates and services and the net accumulated balance of the account;

**“CFO”** means the Chief Financial Officer of the municipality;

**“Collection charges”** means charges which may be recovered by the council in terms of section 75A of the Act, and includes –

- a) the cost of reminding customer of arrears;
- b) the cost of the termination, restriction and reinstatement of municipal services;
- c) the cost of any notice rendered, sent or delivered in terms of these policy;
- d) the cost and administration fees contemplated in section 22;
- e) all legal cost, including attorney and client cost incurred in the recovery of arrears; and
- f) any commission and other expenses relating to the recovery of arrears payable by the council to any person or partnership;

**“Council”** means-

- a) a municipal council as referred to in section 157 of the Constitution
- b) the Local Municipality of Madibeng established by Provincial Notice No. 317 of 29 November 2000, as amended, exercising a delegated power or carrying out an instruction, where any power in these policy has been delegated, or sub delegated, or an instruction given, as contemplated in section 59 of the Act; or

- c) a service provider fulfilling a responsibility under the policy, assigned to it in terms of section 81(12) of the Act, or any other law; as the case may be.

**“Credit control”** means all functions relating to the collection of monies owed to the municipality by the rate payers and users of municipal services.

**“Credit controller”** means an official or person appointed by the Council to manage, inter-alia, the Council financial administration and debt collection of the Council’s debtors.

**“Customer”** means any occupier of the premises to which the council has agreed to supply or is actually supplying municipal services, or if there is no occupier , then the owner of the premises.

**“Customer management”** means focusing on the client’s needs in a responsive and proactive way to encourage payment, thereby limiting the need for enforcement of sanctions.

**“Household”** means the total number of people who occupy a property for residential purposes whether permanently or on a temporary basis, but excludes persons employed by the household;

**“Indigent”** means a household who cannot afford to make a full monetary contribution towards municipal charges for basic services and rates & taxes as determined by the Council

**“Debtor”** means a person owing an amount of money to the municipality for a reason other than through the provision of municipal services

**“Defaulter”** means those persons owing the Council in respect of taxes and/or service charges for a period of more than 45 (forty five) days from the date of the account.

**“Interest”** constitutes a levy equal to service levies and is calculated at a rate determined by the Council on all services levies in arrears.

**“MFMA”** means the Local Government: Municipal Finance Management Act, 2003, (No 56 of 2003);

**“MPR”** means the Local Government: Municipal Property Rates Act, 2004 (Act No. 6 of 2004).

**“Municipal services”** means those services, rates and taxes reflected on the municipal account for which payment is required by the Council, as more fully defined in the Act.

**“Municipal account”** shall include levies or charges in respect of the following services and /or taxes:

- a) electricity consumption based on a meter reading or estimated consumption, or availability fees;
- b) water consumption based on a meter or unmetered reading or estimated consumption or availability fees;
- c) refuse removal and disposal;
- d) sewerage services or sewer availability fees;
- e) rates;
- f) interest, and
- g) miscellaneous and sundry fees and collection charges;

**“Occupier”** means any person who occupies any premises or part thereof, without regard to the title under which he/she so occupies.

**“Owner”** means-

- a) the person in whom from time to time is vested the legal title to premises;
- b) in a case where the person in whom the legal title is vested is insolvent or dead , or is under any form of legal title is vested is insolvent or dead , or is under any form of legal disability whatsoever , the person in whom the administration of and under control of such premises is vested as curator , trustee, executor, administrator, judicial manager, liquidator or other legal representative”
- c) in any case where the Council is unable to determined the identity of such person , a person who is entitled to the benefit of such premises of the building thereon;
- d) In the case of premises for which a lease of 30 years or more has been entered into , the lessee thereof
- e) In relation to-
  - i) A piece of land delineated on sectional plan registered in terms of the sectional titles Act 1986 ,(Act 95 of 1986) , and without restricting the above the developer or the body corporate in respect of the common property , or
  - ii) A section as defined in such Act , the person in whose name such section is registered under a sectional title deeds and includes the lawfully appointed agent of such person
- f) Any legal person including but not limited to;
  - i) A company registered in terms of companies act 1973(Act 61 of 1973), trust intervivos , trust mortis, cause, a closed Corporation registered in terms of the Closed Corporations Act, 1984( Act 69 of 1984) , a Voluntarily association
  - ii) Any department of state
  - iii) Any council or board established in terms of any legislation applicable to the Republic of South Africa.
  - iv) Any embassy or other foreign entity

**“Premises”** includes any piece of land, with or without any building or structure thereon, the external surface boundaries of which are delineated on-

- a) A general plan or diagram registered in terms of Land Survey Act, No 9 of 1927) or in terms of the Deeds Registry Act, No 47 of 1937;or

- b) A sectional plan registered in terms of the Sectional Titles Act, No 95 of 1986), which is situated within the area of jurisdiction of the Council.

**“Property”** means-

- a) Immovable property registered in the name of a person, including , in case of a sectional title scheme , a sectional title unit registered in the name of a person
- b) A right registered against immovable property in favor of a person , excluding a mortgage bond registered against the property
- c) A land tenure right registered in favor of a person or granted to a person in terms of any law ;or
- d) Public service infrastructure;

**“Rates”** means a municipal rate on property levied in terms Local Government; Municipal Property Rates Act, 2004 (Act No.6 of 2004), or any prior law/ordinance.

**“Service provider”** means the municipality as well as any entity that provides municipal services to customers pursuant to a service delivery agreement entered into with the municipality in terms of section 80 of the Act.

**“Sundry and housing accounts”** means an account where a person owes an amount to the municipality for a reason other than through the provision of municipal services

**“Tamper”** means interference with, damage to, alteration of, connection to or removal of any apparatus and includes the consumption or use of any services not in accordance with this policy

**NB: words derived from the words defined have corresponding meanings unless, the context indicates otherwise.**

**A reasonable interpretation of a provision which is consistent with the purpose of this policy must be preferred over an alternative meaning which is not.**

## **2. Application of By-laws**

2.1 These By-laws only apply in respect of amounts of money due and payable to the Council for –

- (a) rates;
- (b) Fees and surcharges on fees in respect of the following municipal services:
  - (i) The provision of water and the availability thereof;
  - (ii) refuse removal and disposal
  - (iii) sewerage and the availability thereof; and
  - (iv) electricity consumption and the availability thereof;

- (c) interest which has or will accrue in respect of any amount of money due and payable or which will become due and payable to the Council in regard to rates and municipal services; and
- (d) collection charges;

2.2 These By-laws also apply to any municipal service provided through pre-paid meters, in so far as the By-laws may be relevant.

### **3. Implementing authority**

The Municipal Manager must in terms of s 100 of the Act –

- a) Implement and enforce the Municipality's credit control and debt collection by-laws enacted in terms of this Act;

## **CHAPTER 2 CUSTOMER CARE AND MANAGEMENT**

### **4. Provision of municipal services to applicants service agreements**

- 4.1 No municipal services may be provided to any applicant, unless and until-
  - a) Application for the service has been made in writing on a form substantially similar to the form prescribed; as reflected in
    - Annexure A for household consumers, and
    - Annexure B for Business Consumers.
  - b) Any information and documentation required by the Council have been furnished;
  - c) A service agreement in a form substantially similar to the form of agreement prescribed, has been entered into between the customer and the Council ;and
  - d) An amount equal to the amount prescribed, in cash or bank cheque, has been deposited as security or other acceptable security, as prescribed, has been furnished.
- 4.2 If an applicant for a municipal service is an existing customer of the Council in respect of any other municipal service in respect of which any amount is in arrears
  - a) Such arrears must be paid; or
  - b) An agreement for payment of such arrears in terms of section 21 must be entered into and payment in terms thereof must not be in arrears before an application for a new service may be considered.
- 4.3 The Council may from time to time require a customer to increase a deposit paid as security in terms of subsection 4.1(d)
- 4.4 No interest is payable on an amount deposited in terms of subsection 4(1)(d) or 4.3

## **5 Control over deposits**

- 5.1 The deposit to be paid must be an amount not less than an average sum equal to two months services levies, as calculated by the duly authorized official
- 5.2 After the disconnection of a service by the municipality, an increased deposit may be required in addition to a reconnection fee.
- 5.3 Where the services are not readily available or the Municipality must incur additional cost to provide such services, the Municipality may require a bank guarantee for the provision of such municipal services
- 5.4 Deposits received must be reviewed annually and a register must be maintained for this purpose. The total sum of deposits received shall constitute a short-term liability in the books of the municipality. No interest shall accrue in favour of the depositor thereof. Upon termination of the debtors agreement with the municipality, the deposit will first be offset against any outstanding balance (if any) owed to the municipality, and the remainder thereof will be refunded to the customer.

## **6. Account information**

Accounts must contain the following particulars:

- a) the consumption or estimated consumption of water and electricity as determined for the measuring or consumption period
- b) the measuring or consumption period for water and electricity
- c) the amount due based on the measured or estimated consumption
- d) the amount due and payable for any other municipal services
- e) the amount in arrears if any
- f) the interest payable on any arrears, if any, collection charges in so far as they may be relevant;
- g) the final date for payment; and
- h) The methods, places and approved agents where payment may be made.

## **7. Accounts administration**

The Council must, subject to the provision of this policy endeavor to ensure –

- a) In terms of S 64(2)(e) MFMA, the Municipality maintains a management, accounting and information system which recognizes revenue when earned, accounts for debtors and accounts for the receipt of all revenue collected;
- b) Consolidation any separate accounts of persons liable for payments to the municipality;
- c) To credit any payment by such a person against any accounts of that person;
- d) Accurate metering of consumption at fixed intervals with minimum delay between services connection and first and subsequent rendering of accounts.
- e) Accurate and up-to-date information in accounts;



- f) Accurate monthly accounts with the application of the appropriate and correct prescribed fees , rates and other related amounts due to and payable to the municipality;
- g) The timely dispatch of accounts;
- h) Adequate provision and the efficient operation of facilities for payment of accounts throughout the municipal area;
- i) The appointment of agents to accept payments on behalf of the Council; and
- j) Implement any of the debt collection and credit control measures provided for in this policy in respect of any areas on any of the accounts of a customer.

## **8. Rendering of accounts**

- 8.1 Although the Municipality undertakes to render a monthly account of the amounts due by debtors, failure thereof does not relieve a debtor of the obligation to pay the amounts due.
- 8.2 Accounts to ratepayers and users of municipal services must contain at least the following particulars:
  - a) The name of the municipality
  - b) The name of the rate payers/users of the service
  - c) The service levies or rates in question
  - d) The property and address in respect of which the payment is required
  - e) The date before which payment must be made
  - f) Any discount for early or prompt payment (if applicable)
  - g) Interest on late payment
  - h) Consequence of non-payment
  - i) Amount brought forward
  - j) Consumption for the current month reflecting units consumed and cost per service
  - k) Total amount payable

## **9. Notice and documents**

- 9.1 A notice or documents issued by the Council in terms of this policy shall be deemed to be duly issued if it is signed by an authorized official.
- 9.2 If a notice is to be served on a person in terms of this policy, such policy shall be effected by:
  - i) Delivering the notice to him or her personally or to his or her duly authorized agent;
  - ii) By delivering the notice at his or her residence or place of employment to a person apparently not less than sixteen years of age and apparently residing or employed there;
- 9.3 If he or she has nominated an address for legal purposes , by delivering the notice to such an address;
- 9.4 Registered or certified post address to his or her last known address;

- 9.5 In the event of body corporate, by delivering it at the registered office or the business premises of such body corporate ;
- 9.6 If service cannot be effected in terms of paragraphs 9(2) to 9(5), by affixing it to the principal door of entry to the premises, or placing it to a conspicuous place on the land to which it relates.

**10. Queries or complaints in respect of accounts**

- 10.1 A customer may lodge a query or complaint in respect of the accuracy of any amount due and payable in terms of an account rendered to him or her in terms of this policy.
- 10.2 A query or complaint must be lodged with the council before or on the due date for payment specified in the accounts concerned, or as soon as reasonable possible thereafter.
- 10.3 If a query or complaint contemplated in subsection 10.1 is lodged-
- a) before the due date for payment specified in the accounts concerned, an amount at least equal to the average amount that was due and payable in respect of rates or the municipal services concerned, as specified in the accounts for the preceding three months which are not in dispute, must be paid by the customer concerned before or on such due date; or
  - b) after the due date for payment specified in the account concerned , such query or complain must if the full amount in dispute has not been paid , be accompanied by at least the amount specified in paragraph (a) ;and
  - c) before or after the due date for payment specified in the accounts concerned, the customer concerned must pay the full amount of any account, insofar as it relates to rates or the municipal service concerned, rendered in respect of a subsequent period, before or on the due date for payment specified in such account, except insofar as that account may incorporate the amount in dispute
- 10.4. An Authorized Official must register the query or complaint and provide the customer with reference number.
- 10.5. The Council must-
- a) Investigate or cause the query or complaint to be investigated within 14 days, or as soon as possible after the query or complain was received; and
  - b) inform the customer, in writing of a decision as soon as possible after conclusion of the investigation, instructing that any amount found to be due and payable must be, subject to the provision of section 21, paid within 21 days from the date on which the customer is notified thereof, unless an appeal is lodged within that period in terms of subsection (6)
- 10.6. A customer may , lodge an appeal with the Accounting officer against the decision referred to in subsection 5 within 21 days of the date of the notification of the decision, in terms of Section 62 of the Act.

- 10.7. The Council must inform the customer concerned in writing of the decision on the appeal, instructing that any amount found to be due and payable, must be paid within seven (7) days from the date on which the customer is notified thereof.

### **CHAPTER 3 CREDIT CONTROL AND DEBT COLLECTION**

#### **11. Arrear accounts**

- 11.1** If a Customer fails to pay an amount due and payable for any municipal services on or before the due date for payment specified in the account, a final demand notice may be sent to the customer

- 11.2** A final demand notice referred to in subsection (1) must contain the following:

- a) the amount in arrears and any interest payable , and the statement that must be made within 14 days of the date of the final demand notice
- b) that the customer may in terms of section 21 within the period mentioned in paragraph (a) conclude a written agreement with the Council for payment of the arrears in installments.
- c) that if no such agreement is entered into within the period stipulated in paragraph (b) the municipal service concerned may be terminated or restricted and legal action may be instituted for the recovery of any arrear amount without further notice.
- d) That the customer has an opportunity to make representation in writing on any matter referred in a final demand notice within the period of 14 days contemplated in paragraph (a)
- e) Where applicable, credit control measures must still be applied for indigents by installing water restrictors.

#### **12. Action to secure payment**

- 12.1** The Council may, in addition to the normal civil legal procedures to secure payment of accounts that are in arrear, take the following action to secure payment for municipal rates and services:
- i) Terminate or restrict the provision of any municipal services in terms of Section 13; and
  - ii) Allocate the whole or a portion of payments or prepayment purchases to service charge arrears or future charges.

**13. Power to terminate or restrict provision of municipal services**

13. (1) For the purposes of subsection (2), a final demand notice means a notice contemplated in sections 11.
- (2) Subject to the provisions of subsection (4), the Council may terminate or restrict the provision of water or electricity, or both, whichever service is relevant, in terms of the termination and restriction procedures prescribed or contained in any law, to any premises if the customer in respect of the municipal service concerned -
- (a) fails to make full payment of arrears specified in a final demand notice sent to the customer concerned, before or on the date for payment contemplated in sections 11 and no circumstances have arisen which require the Council to send a further final demand notice to that customer in terms of any of those sections, and the customer -
    - (i) fails to enter into an agreement in terms of section 21, in respect of the arrears concerned before termination or restriction of the service concerned; or
    - (ii) fails to submit written proof of registration as an indigent person in terms of the Council's Indigent Household Policy, before such termination or restriction;
  - (b) fails to pay any installment payable in terms of an agreement referred to in paragraph (a)(i) before or on the due date;
  - (c) fails to comply with any condition or provision in respect of the supply of electricity or water, as the case may be, imposed by the Council;
  - (d) obstructs the efficient provision of electricity or water to another customer;
  - (e) provides electricity or water to a person who is not entitled thereto or permits such provision to continue;
  - (f) causes a situation relating to electricity or water which, in the opinion of the Council, is dangerous or constitutes a contravention of any applicable law, including the common law;
  - (g) in any way reinstates the provision of a previously terminated or restricted electricity or water service;

(h) is placed under provisional sequestration, provisional liquidation or judicial management, or commits an act of insolvency in terms of the Insolvency Act, 1936 (Act No. 24 of 1936) or is subject to an administration order granted in terms of section 74 of the Magistrates Court Act, 1944 (Act No. 32 of 1944), and there is a failure to enter into a new service agreement within 14 days of the Council requiring such service agreement in terms of section 6.

- (3) The Council may send a termination notice or a restriction notice to a customer informing him or her -
- (a) that the provision of the municipal service concerned will be, or has been terminated or restricted on the date specified in such notice; and
  - (b) of the steps which can be taken to have the municipal service concerned reinstated.
- (4) Any action taken in terms of subsections (2) and (3) is subject to compliance with
- (a) sections 3 and 4 of the Water Services Act, 1997 (Act No. 108 of 1997), if the provision of water is involved;
  - (b) the relevant provisions of the Electricity Act, 1987 (Act No. 41 of 1987), if the provision of electricity is involved;
  - (c) the relevant provisions of the National Health Act, 2003, (Act No. 61 of 2003), and any regulations made in terms of that Act; and
  - (d) the Promotion of Administrative Justice Act, 2000 (Act No. 3 of 2000), in so far as it is applicable.

#### **14. Dishonored payments**

- 14.1** Where any payments made to the municipality by cheque is later dishonored by the bank, the municipality may levy costs and administration fees against an account of the defaulting debtor in terms of the municipality's tariffs provisions.
- 14.2** The authorised official may, in his discretion, require a defaulter to pay by cash with immediate effect and failure to recover such monies may result in services being terminated or restricted.

#### **15. Interest charges**

Interest will be charged on any overdue amounts in accordance with the relevant approved bank prime rate applicable.

**16. Legal fees**

All legal costs, including attorney and own client costs incurred in the recovery of amounts in arrears shall be levied against account of the debtor.

**17. Cost to remind debtors/arrear accounts**

17.1 For any action taken in demanding payment from the debtor or reminding the debtor , by means, of telephone, fax, email, letter or otherwise, that his/her payments are due, a penalty fee may be levied against the accounts of the debtor in terms of the municipality's tariffs provision

**18. Disconnection fees/Reconnection fees**

18.1 Where any municipal service is disconnected as a result of a non-compliance with this policy by the customer, the municipality shall be entitled to levy and recover the standard disconnection fee, as determined by the municipality from time to time, from the user of such services.

18.2 The authorized official shall authorize the reconnection of a service or the reinstatement of service delivery after satisfactory payment and /or arrangement for payment has been made according to the Council's Credit Control Policy

**19. Power of entry and inspection of premises**

19.1A duly authorized official of the Council may for any purpose related to the implementation or enforcement of this policy at all reasonable times or in an emergency at any time, enter any premises, request information and carry out such inspection and examination as he or she may deem necessary, and for such purpose stop or restrict the provision of any services

19.2 If the council considers it necessary that work be performed to any service, to enable an officer to perform a function referred to in (1) above properly and effectively , it may –

- a) by written notice require the owner or occupier of the premises at his or her own expense to do specified work within a specified period; or
- b) if in its opinion the situation is a matter of urgency, without prior notice do such work or cause it to be done at the expense of the owner.

19.3 If the work referred to in (b) above is carried out for the sole purpose of establishing whether a contravention of this policy has been committed and no such contravention has taken place , the council shall bear the cost connected therewith together with that of restoring the premises or service to its former condition.

**20. Re-instatement of municipal services**

20.1 The council shall re-instate full levels of provision of any electricity or water service terminated or restricted in terms of section 18 after

- a) The full amount in arrears has been paid; or

- b) Consumers earning up to R6000.00 per month for residential, an initial payment of 25% of the whole balance has been paid; consumers earning more than R6000.00 per month for residential, an initial payment of R50% of the whole balance has been paid and 75% for business has been paid.
- c) An agreement for payment of the arrears contemplated in paragraph b) has been entered into in terms of section 21(Agreement to pay by installments)
- d) The full amount of arrears in respect of any agreement entered into in terms of section 21, and any increased deposits, have been paid, or any additional security required has been provided, or any other condition of the Policy that the Council may consider appropriate, has been complied with.

## **21. Arrangement to pay outstanding and due amounts in consecutive installments**

- 21.1 A debtor may enter into a written agreement with the Council to repay any outstanding and due amount to the Council under the following conditions:
  - a) the outstanding balance, cost and any interest thereon shall be paid in regular and consecutive monthly installments not exceeding the period of 24 months
  - b) the written agreement has been signed on behalf of the Council by a duly authorized official.
- 21.2 Should any dispute arise as to the amount owing by an owner in respect of municipal services the owner shall notwithstanding such dispute, proceed to make regular minimum payments based on the calculation of the average municipal account for the preceding three months prior to the arising of the dispute and taking into account interest as well as annual amendments of tariffs by the Council.

## **22. Full and Final settlement of an amount**

- 22.1 The Council may appropriate monies received in respect of any debt contemplated in this policy at its sole discretion, unless the customer instructs otherwise in writing to the Council.
- 22.2 If any amount due and payable to the Council in terms of this policy has not been paid in full, any lesser amount tendered to and accepted by any official of the Council, does not constitute payment in full and final settlement in writing, under a power delegate or sub-delegated to such official in terms of section 59 of the Act or by a service provider contemplated in paragraph (d) of the definition of "Council".

**23.1 Rate rebate**

- a) Properties used exclusively for residential purposes may qualify for a property rebate as determined annually by the municipality by resolution subject to the following; only customers receiving old age pensions or state disability grants are eligible for rebate;
- b) Phasing in of rates shock where the discount is applied on the difference between the previous assessment rates and the new assessment rates [since the implementation of the new Rates Act]
- c) Application for rebate should be made by completing a prescribed form before 30th June. The applicant must be a registered owner of the property and residing on the property. The subletting of any portion of the property or, the taking in of tenants shall disqualify the owner from receiving a rebate.

**CHAPTER 4**  
**INCENTIVE SCHEME AND WRITING OFF OF BAD DEBTS**

**24. Incentive scheme to encourage payments of arrears**

**24.1** An incentive scheme is in practice to encourage ratepayers /consumers who are in arrears in respect of the payment of their accounts to clear their outstanding debt within a reasonable period of time.

**24.2** This practice will only be valid for a limited period of time, where after the Council will revert to normal sanctions to those customers who remain in default.

The following rebates will be applicable as follows:

- a) 24 months interest raised on arrears will be granted and written back once off payments are completed in time
- b) 80% of the 24 months interest raised on the arrear amount will be granted on settlement of the account in two monthly installments.
- c) 60% of the 24 months interest will be granted if the arrear amount is settled within three consecutive installments
- d) 40% of the 24 months interest will be granted if the arrear amount is settled within four consecutive installments
- e) 20% of the 24 months installments will be granted if the arrear amount is settled within five consecutive installments
- f) 10% of the 24 months installments will be granted if the arrear amount is settled within six consecutive installments of the 24 month period is made.
- g) **An incentive of 20% shall be granted when the arrear amount is settled immediately and this will be applied once.**
- h) If arrangements are not honored interest will be charged on arrear amount



- 24.3 Council may from time to time develop an incentive schemes to encourage payment on current account

## **25 Writing off of bad debts**

25.1 The main purpose of writing off of bad debts is to ensure;-

- a) Consistency in the writing off of bad debts
- b) Proper authorization at appropriate levels for write offs
- c) Efficient and effective debt collection

## **26 Writing off principles**

26.1 The bad debts will be written off once the Council is convinced that;-

- a) Recovery will cause undue hardship to the debtor or his/her dependants
- b) Recovery is uneconomic or not cost-effective
- c) That all other policies which are affected by the write off (e.g. indigent management policy have been considered)
- d) The respective collection mechanisms are exhausted before an account is considered for the write off e.g. internal collections units processes for amounts less than R10 000.00 and external debt collections for amounts in excess of R10 000.00
- e) A full report of all amounts to be written off (as contemplated in terms of the Act will be submitted to the Council on a quarterly basis for approval.

26.2 Debt associated with ownership of property (Rates account)

Debt raised by Council for the services rendered to registered owners of the property / i.e Assessment rates, Refuse removal, Sewerage, Electricity and Water will not be written-off except when the property is disposed off in the liquidation process and the proceeds do not cover the outstanding debt, the balance can be written-off as irrecoverable.

26.3 Special cases

The allocation of stands and RDP houses by the Department of Economic and Development Plan has in some instances resulted in debt raised for the property in the name of the person allocated the house, but who never took occupation due to either one of the following reasons:

- a) Occupation taken up by illegal occupants;
- b) Failure to inform the rightful owner about the allocation;
- c) Alteration of allocation not effected in Council records

In the above mentioned cases there will never be a need to implement Credit and Debt Collection Policy; therefore write-off should take place immediately when the Department involved in the allocation of property issues a memorandum that confirms the above. Furthermore the write-off should be effected and later reported to Council for notification purposes.

**26.4 Bad Debts Recovered**

The approval of Council for the write-off of any debt does not mean that actions to recover the money will be terminated, however, further actions will be instituted depending on the costs involved and if debt is recovered it will be recorded in the financial records of Council as recovered.

**26.5 Interest**

Interest levied on accounts as a result of an error from Council's side will be written-off.

Interest levied on indigents accounts may be written by Council

Interest on accumulated arrears for pensioners be written off by Council

## **CHAPTER 5 ASSESSMENT RATES**

**27. Amount due for assessment rates**

- a) All assessment rates due by property owners are payable at a date as determined by Council
- b) Joint owners of property shall be jointly and severally liable for payment of assessment rates
- c) Assessment rates may be levied as an annual single amount or in equal monthly installments
- d) Payment of assessment rates may not be deferred beyond the fixed date by reason of an objection to the valuations roll
- e) A ratepayer is liable for payment of a rate whether or not a written account from Council has been received. Rate payers must make the necessary inquiries from the Municipality if they have not received an account.

**28. Payment of rates on property in sectional title schemes**

- a) Rates levied by the municipality on a sectional title unit is payable by the owner of the unit
- b) A Municipality may not recover the rates on a sectional title unit, or any part of such rates from the body corporate controlling the sectional title scheme, except when the body corporate is the owner of any specific sectional title unit.
- c) A body corporate controlling a sectional title scheme may not be appointed to collect rates from the owners of the sectional title units in the scheme.

**29. Claim on rental in respect of assessment rates in arrears**

The Council may apply to Court for the attachment of any rent, due in respect of an applicable property, to recover in part or in full any amount outstanding in respect of assessment rates for a period longer than three months after the fixed date of payment.

**30. Recovery of rates from agents**

- a) The Municipality may, despite the Estate Agent Affairs Act, 1976 (Act No. 112 of 1976) recover the amount due for rates on a property in whole or in part from the agent of the owner if it is more convenient for the municipality.
- b) The municipality may recover the amount due for rates from the agent of the owner only after a written notice has been issued to the agent
- c) The amount the Municipality may recover from the agent is limited to the amount of rent or other money received by the agent on behalf of the owner, less any commission due to the agent.

**31. Recovery of rates in arrears from tenants and occupiers**

- a) If the amount due for rates levied in respect of a property is unpaid by the owner of the property after the date of the determined in terms of section 26(2) of the MPR, the Municipality may recover the amount in whole or in part from the tenant or occupier of the property, despite of any contracted obligation to the contrary on the tenant or occupier.
- b) The Municipality may recover the amount only after the municipality has served a written notice on the tenant or occupier in this regard.

**32. Liability of company directors for assessment rates**

32.1 Where a company, closed corporation or body corporate in terms of the Sectional titles Act 1986 is responsible for the payment of any arrear amounts to the Council, the liability of such entity shall be extended to the directors or members thereof jointly and severally, as the case may be.

**33. Disposal of Council property and payment of assessment rates**

- a) The purchaser of Council property is liable for the payment of assessment rates on the property in respect of the financial year in which the purchaser becomes the new owner.
- b) In the event that the Council repossesses the property ,any outstanding and due amounts in respect of assessment rates shall be recovered from the purchaser

**34. Restraint on transfer of property**

Before the Registrar of deeds or other registration body may register a transfer of immovable property situated in the municipality jurisdiction, he must be in possession of a prescribed certificate issued in terms of section 118 of the Act, which certifies that all amounts that become due in connection with that property for municipal services fees, property rates and other municipal taxes, surcharges on fees , levies and duties during the two years preceding the date of application for such certificates have been fully paid”

34.2 In the case of transfer of immovable property by a trustee of an insolvent Estate, the provision of this section are subject to section 89 of the solvency Act ,1936(Act No,24 of 1936)

34.3 An amount due for municipal services fees, surcharges on fees, property rates and other municipal taxes, levies, and duties, is a charge upon the property in connection with which the amount is owing and enjoys preference over any mortgage bond registered against the property.

34. Clause 34.1 does not apply in the following instances:  
 a) transfer from the national government , a provincial government or a municipality of a residential property which was financed with funds or loans made available by the National Government , a Provincial Government or a municipality; and  
 b) the vesting of ownership as a result of conversion of land tenure into the ownership in terms of Chapter 1 of the Upgrading of Land Tenure Rights Act, 1991(Act No 112 of 1991)

Provided that nothing in this subsection precludes the subsequent collection by a municipality of any amounts owed to it in respect of such a property at the time of such transfer or conversion.

**35. Assessment rates payable on municipal property**

35.1 The lessee of Municipal property is responsible for payment of any general assessment rates payable on the property for the duration of the lessee, as if he is the owner of such property

35.2 The Accounting Officer may elect to include the assessment rates in respect of a property in the rent payable by the lessee, instead of billing it separately as in the case of property owners.

## **CHAPTER 6 MISCELLANEOUS**

### **36 Relaxation, waiver, and differentiation**

- 36.1 The Council may differentiate between different categories of ratepayers, users of service, customers, debtors, taxes, services, service standards and other matters as it deems necessary subject to relevant legislation.
- 36.2 The Council may, in specific instances and for a particular owner or customer, relax or waive in writing the requirement of adhering to this policy.
- 36.3 Any such differentiation or relaxation shall be upon such conditions as it may deem fit to impose, if it is of the opinion that the application or operation of a provision in these instances would be unreasonable.

### **37. Reporting of defaulters**

- 37.1 The Council may in its discretion through an authorized official report persons owing the Council monies to bodies that collate and retain such information, the information that would be included in such a report shall be the available personal information of the defaulter, or in the event of a legal person, the available statutory details, including information pertaining to the responsible officer of such legal person.

### **38. Compliance with Indigent Household Policy and Tariffs Policy**

- 38.1 The Council's Indigent Household Policy and Tariffs Policy must comply with the stipulations of this by-law.

### **39. Preservation of rights consequent on non-compliance**

- 39.1 A failure by the Council to render an account in terms of section 8(1), to send a final demand notice contemplated in section 11 or to comply with any other provision of this By-law does not in any way affect the liability of any person to pay any amount due and payable to the Council as contemplated in this By-law, nor the Council's right to recover such amount.

### **40. Offences and Penalties**

Any person who –

- (a) Fails to give the access required by an authorized official in terms of this by-law

- (b) Obstructs or hinders an authorized official in the exercise of his or her powers or performance of functions or duties under this by-law
- (c) Uses or interferes with Council equipment or consumption of services supplied
- (d) Tamper or breaks any seal on a meter or on any equipment belonging to the Council, or for any reason as determined by the Accounting Officer causes a meter not to properly register the service used
- (e) Fails or refuses to give an authorized official such information as he or she may reasonably require for the purpose of exercising his or her powers or functions under this by-law or gives such an officer false or misleading information knowing it to be false or misleading
- (f) Contravenes or fails to comply with a provision of this by-law –

Shall be guilty of an offence and be liable upon conviction to a fine not exceeding R2 000-00 or to imprisonment for a period not exceeding six month's or both such a fine and imprisonment and, in addition, may be charged for usage, as estimated by the Accounting Officer based on average usage during the previous 6 months or as may be determined by resolution of the Council from time to time.

#### **41. Transmission of documentation**

41.1 Subject to the provisions of any law, if in terms of or for the purposes of these by-laws any written communication must or may be rendered, sent or delivered –

- (a) by the Council to any person, such communication must be –
  - (i) delivered by hand –
    - (aa) to that person's domicilium citandi et executandi, as stipulated in an agreement entered into in terms of clause 3(1)(c) or 6(1) or 21(1); or
    - (bb) in the absence of such agreement, to that person's most recently recorded address; or
    - (cc) to the premises concerned in respect of which rates are levied or any municipal service is provided, whichever is relevant; or

- (ii) sent by post to the address referred to in subparagraph (i)(aa) or (bb), whichever is applicable, or to the address of the premises contemplated in subparagraph (i)(cc).
- (b) by any person to the Council, such communication must be –
  - (i) delivered by hand to –
    - (aa) the Council’s domicilium citandi et executandi stipulated in the agreement contemplated in paragraph (a)(i)(aa); or
    - (bb) another address, if the Council has in writing furnished such an address to the person concerned; or
  - (ii) sent by post to the address referred to in subparagraph (i)(aa) or in subparagraph (i)(bb) to the address contemplated in that subparagraph.

#### **42. Prima facie evidence of documentation**

- 42.1 For the purposes of the recovery of any amount due and payable to the Council in terms of this by-law –
- (a) a copy of any relevant account; and
  - (b) an extract from the Council’s records relating to the quantity of consumption or provision of any municipal service and the period of provision of such service,

Certified by an authorized official as being correct, constitute prima facie evidence of the information contained in such documents.

#### **43. Repeal**

- 43.1 The By-laws specified in the Schedule are hereby –
- (a) repealed; and
  - (b) amended
- To the extent indicated.

#### **44. Conflicting laws**

- 44.1 If there is any conflict between a provision in this by-law and a provision of any other by-law of the Council, the provisions of this by-law shall prevail.

**45. Short title**

- 45.1 This By-law is called the Credit Control and Debt Collection By-law

**SCHEDULE**

**REPEALED BY-LAWS**

<b>Number and year and description of By-law</b>	<b>Extent of Repeal</b>
Standard Financial by-laws for Brits Municipality published under Administrator's Notice 1069 of 26 September 1979.	The whole by-law.
Standard Financial by-laws for Hartbeespoort Municipality published under Administrator's Notice ..... of .....	The whole by-law.



**A.0020**

**THE REVIEWED CREDIT CONTROL POLICY APPROVED AS A DRAFT  
POLICY PER COUNCIL RESOLUTION NO. 0235**

Council Meeting: 31 May 2011

**REPORT OF THE BUDGET AND TREASURY OFFICE: REVENUE DIVISION**

**PURPOSE OF THE REPORT**

The purpose of the report is to present the reviewed Credit Control and Debt Collection Policy for discussion and recommendation to Council for approval in accordance with the requirements of circular 55 of MFMA. The approved draft Credit Control and Debt Collection Policy is attached as annexure "A"

**BACKGROUND**

The Credit Control and Debt Collection Policy was adopted by Council on the 01 April 2011 as per Council Resolution no.0235.

**DISCUSSION**

The Credit Control and Debt Collection Policy is submitted for the purpose of compliance with the requirements of section 21 (1) (b) (ii) of the Municipal Finance Management Act for the annual review of the budget related policies and also for the adherence to section 21 of Municipal System Act 32 of 2000.

**ALTERATIONS TO THE POLICY (see attached Annexure)**

**CHAPTER 3**

**RE-INSTATEMENT OF MUNICIPAL SERVICES**

**Section 20.1(b)**

Consumers earning up to R6000.00 per month for residential, an initial payment of 25% of the whole balance has been paid; consumers earning more than R6000.00 per month for residential, an initial payment of R50% of the whole balance has been paid and 75% for business has been paid.

**LEGAL IMPLICATIONS**

None.

## **FINANCIAL IMPLICATIONS**

Improvement towards the sustainability of revenue collection.

## **RECOMMENDED**

1. That cognisance be taken:

1.1. Of the report of approved draft of Credit Control and Debt Collection Policy

1.2. Of the alterations to the policy

2. That the draft policy as per Council Resolution No.0235 be approved.



**CHR BOSHOFF**

**ACT. CHIEF FINANCIAL OFFICER**

**MMC BUDGET AND TREASURY  
OFFICE**

MEM/mem  
23/05/2011

## **COMMENTS OF THE MUNICIPAL MANAGER**

### **RECOMMENDED**

1. That cognisance be taken that:
  - 1.1 The draft Credit Control and Debt Collection Policy was provisionally approved per Council Resolution No.0235, by the previous Council; and
  - 1.2 amendments to the draft policy were made.
2. That the draft Credit Control and Debt Collection Policy policy, as amended, be approved.



*act* **MUNICIPAL MANAGER**

EJHF/gh  
2011/05/26

## **A.0019**

### **SUBMISSION OF THE BUDGET FOR 2011/2012 TO 2013/2014** **(5/1/2/1/1) (5/1/2/1/2)**

Special Council meeting : 31 May 2011

### **REPORT OF THE DEPARTMENT OF BUDGET AND TREASURY**

#### **PURPOSE**

The purpose of the report is to place the budget of 2011/2012 to 2013/2014 Medium Term Revenue and Expenditure Framework (MTREF) and as well as the budget related policies before Council. The budget overview is attached as annexure: A, Operating Budget as Annexure: B and Capital Budget as Annexure: C

The previous Council has approved the draft Budget ( Resolution No. 0235) and community participation was done through IDP Representative Forum Meeting which was held on 20April 2011and through local newspapers. Minutes of the meeting and the adverts are attached as Annexure D.

#### **BACKGROUND**

The Municipal Finance Management Act (MFMA) No 56 of 2003 stipulates that an annual budget must be compiled and tabled in Council by or not later than 31 March (three months before the start of the new financial year). Following the budget being tabled, it is to be made available for public consultation, and at the end of that process Council must consider the budget a month before the start of the new financial year (31<sup>st</sup> May each year) at the latest for approval.

Section 17 of the MFMA requires the following:

- (1) An annual budget of a municipality must be a schedule in the prescribed format—
  - (a) setting out realistically anticipated revenue for the budget year from each revenue source;
  - (b) appropriating expenditure for the budget year under the different votes of the municipality;
  - (c) setting out indicative revenue per revenue source and projected expenditure by vote for the two financial years following the budget year;
  - (d) setting out—

- (i) estimated revenue and expenditure by vote for the current year; and
- (ii) actual revenue and expenditure by vote for the financial year preceding the current year
- (2) An annual budget must generally be divided into a capital and an operating budget in accordance with international best practice, as may be prescribed.
- (3) When an annual budget is tabled in terms of section 16(2), it must be Accompanied by the following documents:
  - (a) Draft resolutions—
    - (i) approving the budget of the municipality;
    - (ii) imposing any municipal tax and setting any municipal tariffs as may be required for the budget year; and
    - (iii) approving any other matter that may be prescribed;

Section 19 of the MFMA requires that:

- (1) A municipality may spend money on a capital project only if—
  - (a) the money for the project, excluding the cost of feasibility studies conducted by or on behalf of the municipality, has been appropriated in the capital budget referred to in section 17(2);
  - (b) the project, including the total cost, has been approved by the council;
  - (c) section 33 has been complied with, to the extent that that section may be applicable to the project; and
  - (d) the sources of funding have been considered, are available and have not been committed for other purposes.
- (2) Before approving a capital project in terms of subsection (1)(b), the council of a municipality must consider—
  - (a) the projected cost covering all financial years until the project is operational; and
  - (b) the future operational costs and revenue on the project, including municipal tax and tariff implications.
- (3) A municipal council may in terms of subsection (1) (b) approve capital Projects below a prescribed value either individually or as part of a consolidated capital programme.

The budget of the Local Municipality Madibeng here to presented as attached has been compiled for the 2011/2012 financial year as well as for the 2012/2013 and the 2013/2014 multi year periods. National Treasury issued MFMA Circular No 41, 42, 45, 54 and 55 providing municipalities with information for the preparation of their MTREF (Medium Term Revenue and Expenditure Framework) budgets and including guidance on expenditures growth parameters which is set at 3 to 6 percent and related budget issues.

The attached budget meets the new requirements, and all the supporting documentation and schedules have been completed. The supporting Tables and Schedules give information as to the basis on which the budget has been compiled.

## **RECOMMENDED**

### **1. That cognizance be taken:**

- 1.1 That the final budget proposals by the Executive Mayor for the financial year 01 July 2011 to 30 June 2012 as contained in the Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014, as amended, be approved.
- 1.2 That Council's Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014, as amended, be adopted and be submitted to the National – and Provincial Treasuries.
- 1.3 That Council takes note that for the 2011/2012 financial year the income and expenditure budget has a surplus of R59 000.
- 1.4 That the proposed tariffs increase as indicated on the Tariff policy be approved.
- 1.5. That annual salary increase of 2% plus CPI percentage determined in terms of the local government multi-year collective salary agreement should be approved to be implemented as from 01 July 2011 for all the Local Municipality of Madibeng employees including section 57 Managers.
- 1.6. That provision be made for 8.5% estimated increase in salaries of councillors which still have to be announced in terms of Public Office Bearers Act.
- 1.7. That Heads of Department should prioritise the filling of critical vacancies as there are limited resources meant for this purpose and that appointment on a notch higher than the commencing notch of the relevant salary scale should only be made in exceptional circumstances.
- 1.8. That Heads of Department should monitor the revenue of their relevant departments/section regularly, and, should they find that the estimated revenue would not be realised, and advise Budget and Treasury Office department so that a budget adjustments report could be submitted timorously to Council for approval.

- 1.9 That capital expenditure to be financed from grants and other external mechanisms takes place after the funds secured have been confirmed in writing and/or received. Furthermore, Council must take note of the unfunded capital expenditure included in the capital budget to the amount of R44,1 million. The proposed capital budget should entirely be based on the IDP priorities in order to achieve National targets on service provision.
- 1.10 Roll-over capital projects be identified and completed in the 2011/12 financial year and that it does not limit the scope of progress of new capital projects.
- 1.11 That the departments responsible for the claiming of grants and sourcing other funding means ensure that such is done punctually in order to prevent cash flow problems for Council and that a copy of the claims for funds immediately be made available to the Budget and Treasury Office.
- 1.12 That measurable performance objectives for revenue from each source and for each vote contained in the budget presentation as determined in terms of section 24(2)(c)(iii) of the MFMA be approved.
- 1.13 That the following budget related policies, namely, Budget Policy, Rates Policy, Cash Management and Investment Policy, Indigent Management Policy, Supply Chain Management Policy and Credit Control and Debt Collection Policy as well as the schedule of tariffs hereto presented as the supporting documents of budget be approved and be implemented as from 01 July 2011.
- 1.14 That by-laws to give effect to the implementation of the Credit Control and Debt Collection Policy and the Rates Policy be published in terms of section 12 of the Municipal Systems Act for public comments and subsequently be submitted to Council for passing.



**CHR BOSHOFF**  
**ACTING CHIEF FINANCIAL OFFICER**  
**BUDGET AND TREASURY OFFICE**

MJM/lps

## **COMMENTS OF THE MUNICIPAL MANAGER**

### **RECOMMENDED**

1. That cognizance be taken that:
  - 1.1 of the final budget proposals by the Executive Mayor for the financial year 01 July 2011 to 30 June 2012, as contained in the Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014;
  - 1.2 in respect of the 2011/2012 financial year, the income and expenditure budget has a surplus of R59 000.
2. That the final budget proposals by the Executive Mayor for the financial year 01 July 2011 to 30 June 2012, as contained in the Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014, as amended, be approved.
3. That Council's Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014, as amended, be adopted and be submitted to the National- and Provincial Treasuries.
4. That the proposed tariffs increase, as indicated on the Tariffs policy, be approved.
5. That annual salary increase of 2% plus CPI percentage determined in terms of the local government multi-year collective salary agreement, be approved and be implemented as from 01 July 2011 for all the Local Municipality of Madibeng's employees, including Section 57 Managers.
6. That provision be made for 8.5% estimated increase in salaries of Councillors which still have to be announced in terms of the Public Office Bearers Act.
7. That Heads of Department prioritise the filling of critical vacancies as there are limited resources meant for this purpose and that appointment on a notch higher than the commencing notch of the relevant salary scale should only be made in exceptional circumstances.
8. That Heads of Department monitor the revenue of their relevant departments/section regularly, and, should they find that the estimated revenue would not be realised, they advise Budget and Treasury Office department so that a budget adjustments report can be submitted timorously to Council for approval.



9. That capital expenditure to be financed from grants and other external mechanisms takes place after the funds secured have been confirmed in writing and/or received. Furthermore, Council to take note of the unfunded capital expenditure included in the capital budget to the amount of R44,1 million. The proposed capital budget should entirely be based on the IDP priorities in order to achieve National targets on service provision.
10. That roll-over capital projects be identified and completed in the 2011/12 financial year and that it does not limit the scope of progress of new capital projects.
11. That the departments responsible for the claiming of grants and sourcing other funding means ensure that such is done punctually in order to prevent cash flow problems for Council and that a copy of the claims for funds immediately be made available to the Budget and Treasury Office.
12. That measurable performance objectives for revenue from each source and for each vote contained in the budget presentation as determined in terms of section 24(2)(c)(iii) of the MFMA be approved.
13. That the following budget related policies, namely, Budget Policy, Rates Policy, Cash Management and Investment Policy, Indigent Management Policy, Supply Chain Management Policy and Credit Control and Debt Collection Policy, as well as the schedule of tariffs hereto presented as the supporting documents of budget, be approved and be implemented as from 01 July 2011.
14. That by-laws to give effect to the implementation of the Credit Control and Debt Collection Policy and the Rates Policy, be published in terms of Section 12 of the Local Government: Municipal Systems Act, for public comments and subsequently be submitted to Council for passing.

  
acting **MUNICIPAL MANAGER**  
EJHF/gh  
2011-05-26

## **A.0021**

### **THE REVIEWED POLICY ON THE SUBSIDY SCHEME FOR INDIGENT HOUSEHOLD ADOPTED AS A DRAFT POLICY PER COUNCIL RESOLUTION NO. 0236**

Council Meeting: 31 March 2011

#### **REPORT OF THE BUDGET AND TREASURY OFFICE: REVENUE DIVISION**

##### **PURPOSE OF THE REPORT**

The purpose of the report is to present the reviewed Policy on the Subsidy Scheme for Indigent Household for discussion and recommendation to Council for approval in accordance with the requirements of circular 55 of MFMA. The approved draft Policy on The Subsidy Scheme for Indigent Household is attached as annexure "B"

##### **BACKGROUND**

The Policy on The Subsidy Scheme for Indigent Household was adopted by Council on the 01 April 2011 as per Council Resolution no.0236.

##### **DISCUSSION**

The Policy on The Subsidy Scheme for Indigent Household is submitted for the purpose of compliance with the requirements of section 21 (1) (b) (ii) of the Municipal Finance Management Act for the annual review of the budget related policies and also for the adherence to section 21 of Municipal System Act 32 of 2000.

##### **AMENDMENTS TO THE POLICY (see attached Annexure "B")**

##### **SECTION 3**

##### **CRITERIA FOR INDIGENTS TO QUALIFY FOR INDIGENT SUPPORT**

###### **Section 3 (2)**

*These grants may be allocated if such a person or any other occupier of the property concerned can submit proof or declare under oath that all occupants over 18 years of age had no income or a verified total gross monthly **income of less than R2160.00** for the preceding three consecutive months.*

*Amended section 3 (2)*

These grants may be allocated if such a person or any other occupier of the property concerned can submit proof or declare under oath that all occupants over 18 years of age had no income or a verified total gross monthly income of less than R2, 320 for the preceding three consecutive months

## **SECTION 7: MAXIMUM SUBSIDY**

### **Section 7 (6)**

*The total subsidy allocated to an indigent household will be subject to the maximum subsidy monthly amount as determined annually by Council (**R140.00 per household per month**) and will be published as part of the annual tariffs as set by the Council.*

### **Amended section 7 (6)**

The total subsidy allocated to an indigent household will be subject to the maximum subsidy monthly amount as determined annually by Council (**R160.00 per household per month**) and will be published as part of the annual tariffs as set by the Council.

## **LEGAL IMPLICATIONS**

None.

## **FINANCIAL IMPLICATIONS**

The increase of the subsidy from R140.00 to R160.00 will benefit the Municipality as the equitable share will increase.

## **RECOMMENDED**

1. That cognisance be taken:

1.1. Of the report of approved draft of Policy on the Subsidy Scheme for Indigent Household

2. That the draft policy as adopted per Council Resolution No.0236 be approved.



**CHR BOSHOFF**

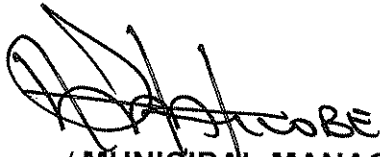
**ACT. CHIEF FINANCIAL OFFICER**

**MMC FOR BUDGET & TREASURY  
OFFICE**

**MEM/mem  
23/05/2011**

## RECOMMENDED

1. That cognisance be taken of the report regarding the approved draft of the Policy on the Subsidy Scheme for Indigent Household.
2. That the draft policy on the Subsidy Scheme for Indigent Households, as adopted per Council Resolution No.0236, be approved.



act **MUNICIPAL MANAGER**  
EJHF/gh  
2011/05/26

## **5.6. Budget Principles and Assumptions**

This section of the budget report provides a summary of all principle and assumptions underlying the preparation of the budget and its proposals. Budgets are prepared in an environment of uncertainty and certain principles and assumptions need to be made about both internal and external factors that could impact on the budget during the course of the financial year.

- 5.6.1 The Council is committed to stringent budgeting policies and parameters through a budget that seeks to strike a balance between the development challenges of the poor areas and the need to maintain the infrastructure in established areas.
- 5.6.2 The Council is also committed to ensuring that consultation on the budget takes place as widely as possible.
- 5.6.3 To achieve balanced budgets on an affordable basis now and in future.
- 5.6.4 The Council is further committed to levying affordable tariff increases and in this regard we have once again managed to achieve single digit increases in Sewerage and Refuse Tariffs
- 5.6.5 The Council expresses its will to allocate effectively the limited resources against the ever increasing demands by looking at ways and means of reducing costs and improving efficiencies to maximize resources.
- 5.6.6 The council expenses shall only be incurred in terms of the approved annual budget (or adjustments budget) and within the limits of the amounts appropriated for each vote in the approved budget.
- 5.6.7 The Executive Mayor keeps record of all comments and submissions received and the steps taken to address most of the requests. Any adjustments resulting there from are done in preparation of the budget submission for approval by Council a month before the start of the new financial year.
- 5.6.8 National Treasury advises that the medium term outlook for the South African economy remains positive with the inflation rate expected to stay within the target range of 3 to 6 percent. The inflation forecast (CPIX) announced for 2010/11, 2011/12 and 2012/13 are 4.2%, 4.8% and 5.3% respectively.

- 5.6.9 National Treasury set as guidelines parameters for the budget growth and these have been set at not more than 6% for the 2010/2011 (National Treasury: MFMA circular 55). The growth parameters apply to tariff increases for property rates, user and other charges raised by the municipalities, to ensure that all spheres of government support the nation macro-economic policies, unless it can be shown that external factors particular to the municipality concerned impact otherwise.
- 5.6.10 Another key focus of the 2008/09 financial year is to ensure that all indigents are registered and approved.
- 5.6.11 The basic social package confirms the Municipality's commitments to push back the frontiers of poverty by providing free basic services and also assists the municipality in meeting its constitutional obligations regarding the progressive realization of the social and economic rights of its residents.
- The first 6 KL of water is free to all residents
  - The municipality also allows different rebates to different areas and categories of rate payers
  - The municipality also subsidizes residents who are registered as indigents with regard to payment of other basic services and rates
- 5.6.12 About 15.8% increase has been provided for in the 2010/11 budget for Councillors remuneration. However it must be noted that the national increases to Public Office Bearers have not been gazetted.

### 3. Budget Related Resolutions

As required by Municipal Finance Management Act No 56 of 2003, and to reflect the legal form of the budget, the resolutions to be considered upon approval of the budget after consultation process has taken place would be:

#### 3.1. That cognizance be taken

- 1.1 That the budget together with the related policies tabled in Council on 31 May 2011 was subjected to community participation through IDP Representative Forum Meeting which was held on 20 April 2011 and through advertisements on local newspapers;
- 1.2 Of the need for the relevant departments to obtain confirmation of all the external funds excluding municipal infrastructure grant that have been identified as funding resources for some of the projects in capital budget; and
- 1.3 Of the pending approval by NERSA of the application made on the Proposed 35% increase on electricity tariffs. The municipality will continue charging 20.38% as recommended by national treasury until we receive the response from NERSA

#### 3.2. That the final budget proposals by the Executive Mayor for the financial year 01 July 2011 to 30 June 2012 as contained in the Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014, be approved.

#### 3.3. That Council's Medium Term Revenue and Expenditure Forecasts for the financial years 2011/2012 to 2013/2014, as amended, be adopted and be submitted to the National – and Provincial Treasuries.

#### 3.4. That Council takes note that for the 2011/2012 financial year the income and expenditure budget has a surplus of R59 000.

#### 3.5. That the following proposed tariffs increase be approved and be implemented as from 01 July 2011

SERVICE	TARIFF INCREASES
	%
Refuse removal	6.08
Sewerage	6.08
Assessment rates	6.08
Electricity	20.38
Water	20
Other Tariffs(excluding Cemeteries tariffs)	6.08

- 3.6. That annual salary increase of 2% plus CPI percentage determined in terms of the local government multi-year collective salary agreement should be approved to be implemented as from 01 July 2011 for all the Local Municipality of Madibeng employees including section 57 Managers.
- 3.7. That provision has been made for 8.5% estimated increase in salaries of Councilors which still have to be announced in terms of Public Office Bearers Act.
- 3.8. That Heads of Department should prioritise the filling of critical vacancies as there are limited resources meant for this purpose and that appointment on a notch higher than the commencing notch of the relevant salary scale should only be made in exceptional circumstances.
- 3.9. That Head of Department should monitor the revenue of their relevant Departments/section regularly, and, should they find that the estimated revenue would not be realized, and advice Budget & Treasury Office so that the Budget Adjustments report could be submitted timeously to council for approval.
- 3.10. That capital expenditure to be financed from grants and other external mechanisms takes places after the funds secured have been confirmed in writing and/ or received.
- 3.11. That the departments responsible for the claiming of grants and sourcing other funding means ensure that such is done punctually in order to prevent cash flow problems for council and that a copy of the claims for funds immediately be made available to the Budget and Treasury Office.
- 3.12. That Heads of Department submit their departments' financial needs (Operational & Capital) of the next financial year budget, to the Budget and Treasury Office within the timeframe as determined in the budget preparation schedule still to be tabled and adopted by Council on or before the end of August 2011.
- 3.13. That capital expenditure to be financed from grants and other external mechanisms takes place after the funds secured have been confirmed in writing and/or received. Furthermore, Council must take note of the unfunded capital expenditure included in the capital budget to the amount of R44,1 million. The proposed capital budget should entirely be based on the IDP priorities in order to achieve National targets on service provision.
- 3.14. That measurable performance objectives for revenue from each source and for each vote contained in the budget presentation as determined in term of Section 24(2)(c)(iii) of the MFMA be approved.



- 3.15. Roll-over capital projects be identified and completed in the 2011/12 financial year and that it does not limit the scope of progress of new capital projects
- 3.16. That the following budget related policies, namely, Budget Policy, Rates Policy, Cash Management and Investment Policy, and Credit Control and Debt Collection Policy as well as the schedule of tariffs hereto presented as the supporting documents of budget be approved and be implemented as from 01 July 2011.
- 3.17. That by-laws to give effect to the implementation of the Credit Control and Debt Collection Policy and the Rates Policy be published in terms of Section 12 of the Municipal Systems Act for public comments and subsequently be submitted to Council for passing.

	ANNEXURE E	Annual Target
ANNUAL MEASURABLE PERFORMANCE OBJECTIVES	Unit of Measurement	2011/2012
<b>VOTE- EXECUTIVE MAYOR/ MUNICIPAL COUNCIL</b>		
1. Ensure that performance agreements of Municipal manager and senior managers are made public		Jul-11
2. Table a schedule of key activities and deadline dates for 2012/2013 Budget to Council		31-Aug-11
3. Submission of section 72 reports to Council		31-Jan-11
4. Submission of section 52 reports		4
5. Number of general meeting per ward		4
6. Number of reports to communities by Ward Committees		
Ward Councilors		12
7. Table 2012/2013 Draft budget to Council		Feb-12
8. Consultations on tabled draft budget		Apr-12
9. Table 2012/2013 Budget to Council for approval		May-12
10. Approve Service Delivery & Budget Implementation Plan		Jun-12
11. Roll-out of Community Based Planning Project	Projects implementation plan/Progress report	33%
12. Community Participation / Imbizos programme	No. of community participations programmes held	4
13. Establishment & support to ward committees	Meetings or functionality of ward committees	100%
14. Submission of reports by wards councillors/committees	No. of ward committee meetings held	124
<b>VOTE - OFFICE OF THE MUNICIPAL MANAGER</b>		
1. Implement an approved budget		Jul-11
2. Percentage decrease of number of AG queries		75%
3. Number of report on Council resolution implemented		4
4. Review Audit committee charter & Internal audit charter		Dec-11
5. Mid-year budget and performance assessment		25-Jan-12
6. 2010/2011 annual report Adopted		Jan-12
7. Review MFMA implementation plan		Mar-12
9. Submit a draft Service Delivery & Budget Implementation Plan to the Executive Mayor		Jun-11
10. Sign performance agreement of senior managers		Jun-11
1. Publication of annual approved budget		Jun-11
<b>CHIEF OPERATING OFFICER</b>		
Attendance of Management Meetings	Number of meetings	100%
Review of all current job descriptions	No. of current job descriptions	100%
Dev. of new Job Descriptions as per structure	No. of new positions filled	100%
Review Departmental Micro Structure, as need arises	New positions created	100%
Filling of Budgeted Positions	Submission of personnel requisition forms	80%
Submission of Departmental Training Needs	Departmental report	Jun-08
Development of Street & Assets Naming Policy	Policy Guideline	Dec-10
Implementation of PDP (all)	Progress report/Plan	100%
Formal grievances finalised	Reports	100%
Implementation of Technical SDBIP	Report/Plan	90%
Implementation of EAP Policy	Employee-related EAP referrals	100%
Implementation of Performance Agreements Signed	No. of performance agreements signed on time	7
Implementation of WSP Programme	% of nominated officials to attend WSP programme	60%
<b>MARKETING AND COMMUNICATIONS</b>		
Attendance of Departmental Meetings	Number of meetings	6
Development of the Communications Policy	Policy	Dec-11
Finalization of Marketing & Branding Strategy	Strategy	Sep-11
Improving the Publication of the Newsletter	No. of publication to be issued.	4
<b>PERFORMANCE MANAGEMENT SYSTEM</b>		
Attendance of Departmental Meetings	Number of meetings	6
Implementation of PMS Framework	Progress report/Plan	100%
Cascading of PMS	No. of perform. agreements signed with levels 1-3	25
Performance reviews & reporting	No. of performance reviews and reports	4
Preparation of mid term report		Jan-11
Development & Publication of the Annual Report	Date of adoption of oversight report by Council	Mar-11
Implementation of PMS Framework		
Submission of section 52 reports to Council	No. of reports submitted to Council to sec 52	4
<b>INTEGRATED DEVELOPMENT PLANNING</b>		
Attendance of Departmental Meetings	Number of meetings	6
Annual review of municipal IDP	Date of adoption of IDP review process plan	Sep-11
Publication of municipal IDP document	No. of abridged versions of the IDP Published	200
<b>PROJECT MANAGEMENT UNIT</b>		
Attendance of Departmental Meetings	Number of meetings	6
Monitoring of Capital Projects Expenditure	% reporting on all capital project expenditure	100%
Creation of Job Opportunities via Capital Projects	% of projects staff that constitute local labour	60%
Implementation of Skills Development Program	% of local people trained via capital projects	10%

<b>INTERNAL AUDIT</b>		
Adoption of the Fraud Prevention Plan	Plan	Dec-11
Review Audit Committee/Internal Audit Charter	Reviewd documents	Dec-11
Attendance of Departmental Meetings	Number of meetings	6
Review Risk Management Strategy	Strategy/document	Sep-11
Monitoring of Legislative and Policy Compliance	No. of Audit Reports on legislative/policy compliace	4
Facilitating of Audit Committee Meetings	No. of reports AC resolutions to Council	4
Prioritazation of Identified Risks in Departments	Elimination and mitigation of all the applicable risks	100%
Attendance to the AG's and Internal Audit Exceptions	Auditing of progress to eliminate all audit queries	100%
Development of an Audit Action Plan	No. of reports submitted to Council	4
<b>VOTE- CORPORATE &amp;SUPPORT SERVICES:</b>		
1. Identification Office Building Sign Boards	Development of Sign Boards in the Main Building	1
2. Intergrated Security and Access Control System.	A new intergrated Security and Access Control System	1
3. Health and Safety Plan and Policy	Developing a policy and an Action plan	1
4. Review of Organizational Structure and Job Descriptions	Alignment of The structure and Job Description to the IDP.	1
5. Human Resources Policies Development	Revisit old and develop new HR policies	32
6. Employment Equity Plan	Review of EEP and implementation.	1
7. Staff Satisfaction Survey	Staff Satisfaction Survey development, and response action	1
8. Number of Council Meetings Held	No of meetings	11
9. Number of Mayoral Committee Meetings Held	No of meetings	22
10. Number of Portfolio Committee Meetings Held	No of meetings	48
11. Adoption of Rules of Order By-Law	July 2008	1
12. Compilation of by-laws	Compile and Maintain in bound or loose leaf form and also in electronic format, a compilation of Municipal By-Laws, including any provisions incorporated by reference as By-Laws of the Municipality	1
13. Workshop	Conducting workshop of all Councillors on the Standing Municipal Instructions Manual in respect of Legal Services	
14. Develop a new helpdesk on ICT		1
<b>BUDGET &amp; TREASURY</b>		
1. Submit a schedule of key activities and deadline dates for 2012/2013 Budget to Budget Steering Committee		31-Jul-11
2. Implement Financial and Investment plan		10-Aug-11
3. Submission of 2010/2011 Financial Statements		
4. Preparation of 2011/2012 Draft Budget		28-Feb-12
5. Finalise 2011/2012 Municipal Budget		May-11
Submissio of 2012/2013 Budget to Provincial and National Treasury		Jun-11
6. Percentage over expenditure on operating budget curbed		0%
7. Percentage Capaital budget actually spent on planned Capital projects		100%
8. Submission of MFMA returns		Mon/Quar
9. Percentage decrease of number of AG queries		75%
10. Percentage of creditors payments on time	No. Paid on Time / total No.	100%
11. Percentage collection on budgeted revenue		96%
12. Percentage improvement in the revenue base		10%
13. Percentage decreade of outstanding debt		20%
14. Percentage number of meter read		90%
15. Number of days taken to process land use applications		90 days
<b>INFRASTRUCTURE &amp; TECHNICAL SERVICES</b>		
1. Supply of Bulk Water Supply	number of wards	16
2. Resovior	number of resovior	3
3. Installation of bulk water pipeline	number of wards	3
4. New water connection	number of new water connection	6200
5. New elctricity connection	number of new electricity connection	10425
6. Substation to be build	number of substations	2
7. Installation of High mast lights	number of high mast lights	133
8. km of new road for prev unserved areas	No. of kilometres	29
<b>COMMUNITY AND SOCIAL SERVICES</b>		
1. Implementation of waste management by-laws		Jul-10
2. Implementation of cemetery by-laws		Jul-10
3. Disaster management campaign	number of campaigns	3
4. Social crime prevention campaign	number of campaigns	3
5. Percentage of fire hydrant inspection		100%
6. Training of fire fighters	number of fire fighters	9
7. Training of disaster management volunteers	number of volunteers	75
8. Percentage of money recovered from unpaid traffic fines		100%
9. Upgrading of cemeteries	Number of cemeteries	3
10. Number of libraries to be build	Number of library	3
11. Development of recreational and sports facilities	number	4
12. Develop transfer station	number	1
13. HIV/AIDS campaign	number	3
14. Improve response time to emergency calls	Percentage	100%

<b>DEPARTMENT- ECONOMIC DEVELOPMENT &amp; PLANNING</b>		
1. Review Spatial Development Frameworks		1
2. Building inspections		3500
3. Approval of building plans		1000
4. Construction of houses		
5. Formalization of rural areas		100%
6. Tourism Master Plan published and implemented		1
7. Number of Tourism Awareness campaigns held		4
8. Tourism site managed and maintained: Tsosoloso Cultural Centre		1
9. Facilitation of tourism products to be graded		10
10. Database of existing tourism products/entities		550
11. Capacity building of tourism product owners		100
12. Implementation of Agricultural Development Strategy:		100%
13. Agricultural projects resuscitated and supported		20
14. Capacity building of farmers and hunters		50
15. Database of existing emerging and commercial farmers		400
16. Number of Cooperatives formalised and supported		50
17. Number of Exhibitions held		4
18. Maintenance of Hawkers Pavilion		1
19. Investment attraction campaign		1
20. Database of existing SMMEs and Cooperatives		500
21. Database of Informal traders		500
22. SMME Capacity building		150
23. Women and Youth supported		150%
24. LED Plan published and implemented		1
25. Implementation of StreetTrading regulations		1
26. Maintenance of Industrial Park		1
27. Small scale manufacturers supported/incubated at industrial Park		40
28. Development of SMME Development Strategy		1
29. Development of Industrial Development Strategy/ Revising Investment Incentive Scheme		1%
30. Maintenance of LBSC/SMME Office Park		1%
31. Erection of signage		20%
32. Maintenance of 3 municipal resorts		3
33. Replacements of 25 Safari Tents at Oberon Holiday Resorts		25
34. Promotion and marketing of Municipal resorts		3%

## 5.8. Disclosure on Implementation of MFMA

## ANNEXURE F

This section provides disclosure regarding progress in implementing various related legislation including the MFMA and how this affects the budget and budget process.

### MFMA Implementation and Monitoring Checklist

The municipality is generally complying for the majority of the implementation priorities as per the National Treasury implementation and monitoring checklist. This checklist is updated quarterly and submitted to National Treasury. Below is a summary of progress Against the plan

No.	Implementation priority as per NT template	Progress
1	Preparing an implementation plan	50%
2	Allocating appropriate responsibilities under the MFMA to Accounting Officer	60%
3	Establishing a top (senior) management team	65%
4	Implementing appropriate controls over municipal bank accounts and cash management	100%
5	Meeting of financial commitments	90%
6	Reporting revenue and expenditure	100%
7	Supply chain management	80%
8	Implementing reforms in relation to municipal entities and long-term contracts	
9	Completing financial statements and advising National Treasury	70%
10	Completing and tabling annual report	70%
11	Complying with provisions for tender committees, boards of municipal entities and in relation to forbidden activities	80%
12	Complying with provisions for internal audit and audit committees	100%
13	Complying with provisions for budgets	80%
14	Information to be placed on website	40%

**MFMA returns**

Name of return	Submitted to
<b>MONTHLY</b>	
Financial Management Grant	NT/PT
Age Analysis Debtors (AD) and Creditors (AC), Cash Flow, Operating Statement Actuals (OSB)	NT/PT
Section 71 Budget Statements	PT/NT
Supply Chain Management	NT/PT
MIG returns	NT/PT
MSIG	NT/PT
Conditional Grants returns NT/PT	
<b>QUARTERLY</b>	
MFMA Implementation and monitoring checklist	NT/PT
Municipal entities	NT/PT
Long-term contracts	NT/PT
Borrowing	NT/PT
<b>ANNUALLY</b>	
Budget tables return	NT/PT
Operating Statement Budget	NT/PT
Cash flow Budget	NT/PT
Budget Capital Acquisition	NT/PT
Budget Evaluation Check list	NT/PT

**Audit units and audit committees**

The municipality has an audit committee in place comprising of independent members as required by section 166 of the MFMA. The Audit Committee is shared by the municipalities in the district. The quarterly meetings are held at the different municipalities.

**Tabling of section 71 reports**

Section 71 reports are submitted to council and also forwarded to National treasury/Provincial treasury on a monthly basis

**Delegations**

All delegations are in place and council approved the generic financial delegations.

**Performance agreements**

The new performance agreements for 2011/2012 will be finalised after the SDBIP has been approved.

**Risk management**

The municipality have an updated risk management strategy and plan in place.

**Implementation of SCM**

The revised supply chain management policy of the municipality, is in line with the MFMA and national treasury prescripts.

All bid committees as required by the SCM regulations are in place and the bid adjudication is chaired by the chief financial officer and operates within delegated powers.